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General Assembly

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Intergovernmental Preparatory Committee for the Second United Nations Conference on Landlocked Developing Countries
First session
New York, 12-13 June 2014

Annotated provisional agenda

Provisional agenda

1. Opening of the first session.
2. Adoption of the agenda and programme of work.
3. Preparations for the Conference: briefings and presentations.
4. Statements by Major Groups.
5. Consideration of the draft outcome document of the Conference.
6. Other matters.
7. Adoption of the report of the Intergovernmental Preparatory Committee at its first session.

Annotations

The first session of the Intergovernmental Preparatory Committee for the Second United Nations Conference on Landlocked Developing Countries will be convened on 12 and 13 June 2014 at United Nations Headquarters in New York, pursuant to paragraph 3 of General Assembly resolution 68/270. The Intergovernmental Preparatory Committee will review the organizational and substantive preparations for the Conference.

1. Opening of the first session

Pending the election of the Bureau, the Secretary-General of the Conference will open the session. The Bureau will be elected.

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2. Adoption of the agenda and programme of work

The draft programme of work for the first session of the Intergovernmental Preparatory Committee is contained in the annex.

3. Preparations for the Conference: briefings and presentations

The Secretary-General of the Conference will make a presentation on the state of preparations for the Conference, including the outcomes of the regional preparatory meetings held on Africa, Asian and European countries, and Latin America, national reports prepared by the landlocked developing countries, reports of the pre-conference events, and of the private sector track.

Documentation

Report of the regional-level preparatory review meeting for Africa

Report of the regional-level preparatory review meeting for Latin America

Report of the regional-level preparatory review meeting for Asian and European countries

4. Statements by Major Groups

5. Consideration of the draft outcome document of the Conference

6. Other matters

7. Adoption of the report of the Intergovernmental Preparatory Committee

The report of the Intergovernmental Preparatory Committee on its first session will be further considered and finalized by the Intergovernmental Committee at its second session, which will be held from 2 to 3 October 2014 in New York.

Annex

Proposed organization of work for the first session of the Intergovernmental Preparatory Committee for the Second United Nations Conference on Landlocked Developing Countries

Date/time	*Agenda item*	*Programme*
Thursday, 12 June 2014		
Morning session		
10 a.m.-1 p.m.	1	Opening of the first session
		Election of officers
		Opening statements by the Co-Chairs
		Statement by the Secretary-General of the Conference, Gyan Chandra Acharya
	2	Adoption of the agenda and programme of work
	3	Preparations for the Conference: briefings and presentation
Afternoon session		
3-6 p.m.	4	Statements by Major Groups
	5	Consideration of the draft outcome document of the Conference
Friday, 13 June 2014		
Morning session		
10 a.m.-1 p.m.	5	Consideration of the draft outcome document of the Conference (*continued*)
Afternoon session		
3-6 p.m.	5	Consideration of the draft outcome document of the Conference (*concluded*)
	6	Other matters
	7	Adoption of the report of the Intergovernmental Preparatory Committee at its first session
		Concluding remarks by the Secretary-General of the Conference
		Closure of the first session of the Intergovernmental Preparatory Committee

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General Assembly

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Intergovernmental Preparatory Committee for the Second United Nations Conference on Landlocked Developing Countries
First session
New York, 12-13 June 2014
Item 3 of the provisional agenda*
Preparations for the Conference: briefings and presentations

Report of the regional-level preparatory review meeting for Africa

Summary

The Africa regional-level preparatory review meeting was held in Addis Ababa, from 16 to 18 July 2013, as part of the preparatory process for the Second United Nations Conference on the Landlocked Developing Countries that will be held in Austria in November 2014, pursuant to General Assembly resolutions 66/214 of December 2011 and 67/222 of 21 December 2012. The present report provides an account of the meeting and its outcome. The report of the Africa regional review meeting was presented at the third session of the Conference of African Ministers of Transport, which was held in Malabo, Equatorial Guinea, from 7 to 11 April 2014. The report was endorsed at that meeting.

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I. Introduction

1. The lack of direct territorial access to the sea, the remoteness and the isolation from major international markets makes landlocked developing countries highly dependent on transit countries for their seaborne trade. Additional border crossings and the long distance from major markets, coupled with cumbersome transit procedures and inadequate infrastructure, substantially increase the total expenses for transport and other transaction costs that erode the competitive edge of landlocked developing countries, reduce economic growth and subsequently have an impact on their capacity to promote social development and environmental sustainability.

2. The International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation, held in Almaty, Kazakhstan, in 2003, adopted the Almaty Programme of Action to address the special development needs and challenges faced by landlocked developing countries in five priority areas: fundamental transit policy issues; infrastructure development and maintenance; international trade and trade facilitation; international support measures; and implementation and review. In its resolution 66/214, the General Assembly decided to hold a comprehensive 10-year review conference of the Almaty Programme of Action in 2014 that should be preceded by regional and global, as well as thematic, preparations.

3. In this context, the Economic Commission for Africa (ECA) and the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States jointly organized the African regional review meeting on the implementation of the Almaty Programme of Action, which was held at the United Nations Conference Centre in Addis Ababa, from 16 to 18 July 2013.

4. The objectives of the regional review meeting were to: (a) review the implementation of the Almaty Programme of Action in Africa, with a view to identifying major achievements and constraints, as well as emerging opportunities and challenges; (b) examine the overall economic development of African landlocked countries, particularly in the area of trade; (c) assess progress in establishing efficient transit transport systems on the continent; and (d) formulate appropriate policy measures and action-oriented recommendations aimed at sustaining the achievements made so far in overcoming the special problems of landlocked developing countries.

II. Attendance

5. The meeting was attended by participants from the following landlocked and transit countries: Angola, Benin, Burkina Faso, Burundi, Cameroon, Central African Republic, Chad, Côte d'Ivoire, Djibouti, Eritrea, Ethiopia, Lesotho, Malawi, Mali, Namibia, Niger, Nigeria, Rwanda, Senegal, South Sudan, Swaziland, United Republic of Tanzania, Uganda, Zambia and Zimbabwe.

6. The African Union Commission and the following regional economic communities, corridor organizations and transport institutions were represented: Economic Community of Central African States (ECCAS), Southern African

Development Community (SADC), Intergovernmental Authority on Development (IGAD), Economic Community of West African States (ECOWAS); Burkina Shippers' Council, Nigeria Shippers' Council, Abidjan-Lagos Corridor, Dar es Salaam Corridor, Maputo Corridor, Trans-Kalahari Corridor Secretariat, Central Corridor, International Commission of Congo-Oubangui-Sangha Basin, Federation of East African Freight Forwarders Associations, Federation of East and Southern African Road Transport Associations, Cameroon Road Safety Foundation, Académie régionale des sciences et techniques de la mer and Port Management Association of Eastern and Southern Africa.

7. Representatives of chambers of commerce of the following countries attended the meeting: Burkina Faso, Ethiopia, Kenya, Uganda, Togo and Zimbabwe. Other private sector representatives included Tri-African Advisory Services, African Business Roundtable and PAX AFRICA.

8. The Chair of the Global Coordination Bureau of the Group of Landlocked Developing Countries and the following United Nations agencies and organizations and development partners were present at the meeting: ECA, the Food and Agriculture Organization of the United Nations, the United Nations Industrial Development Organization (UNIDO), the United Nations Conference on Trade and Development (UNCTAD), the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States and the International Road Transport Union.

III. Account of proceedings

Opening session

9. Opening statements were made by the African Union Commissioner for Economic Affairs, Anthony Mothae Maruping; the United Nations Under-Secretary-General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, Gyan Chandra Acharya; the Permanent Representative of the Lao People's Democratic Republic to the United Nations and Chair of the Group of landlocked developing countries, Saleumxay Kommasith; the State Minister of Finance and Economic Development of Ethiopia, Ahmed Shide; and the United Nations Under-Secretary-General and Executive Secretary of ECA, Carlos Lopes.

10. In his opening statement, Mr. Maruping reiterated the commitment of the African Union Commission to work with partners in support of the implementation of the Almaty Programme of Action, since Africa has 16 landlocked developing countries and indeed most of the world's landlocked developing countries. The geographical conditions of landlocked developing countries undoubtedly posed special challenges in their efforts to integrate into the global trading system. He noted that addressing those challenges would contribute to improving intra-African trade. He underscored the importance of close collaboration between landlocked developing countries and transit countries. Collaboration with development partners, through initiatives such as Aid For Trade, was also necessary to integrate landlocked developing countries firmly into the multilateral trading system. In addition, the African Union Commissioner stressed the vital role of the private sector in promoting trade as an engine of growth. To that end, African Governments should

create the necessary environment for the private sector to thrive, including through innovative development approaches such as public p vate partnerships.

11. In his statement, Mr. Acharya said that the regional review meetin would contribute to preparations for the comprehensive global 10-year review conference on the implementation of the Almaty Programme of Action to be held in 2014. He briefed the meeting on the status of preparations for the conference. He underscored the importance of private sector participation in the preparatory process since it was actively involved in trading activities in landlocked developing countries as traders, freight forwarders, insurance providers, transporters and a source of both domestic and foreign direct investment. A steering committee had been set up to oversee the activities of the private sector, which would culminate in an investment forum to be held as a high-level event at the conference in 2014.

12. He highlighted key elements required to advance the development agenda of landlocked developing countries over the coming decade, including investment in transport, information and communication technology and energy infrastructure in both landlocked and transit developing countries; investment in soft infrastructure or trade facilitation; consideration of the special needs of landlocked developing countries in the current World Trade Organization (WTO) negotiations on trade facilitation; improved market access for agricultural and non-agricultural goods originating from landlocked developing countries; and continued technical support to expedite accession of landlocked developing countries to WTO. He concluded by stressing that the key development priorities of landlocked developing countries should be firmly integrated into the post-2015 development agenda in order to ensure meaningful development outcomes.

13. In his opening statement, Mr. Kommasith emphasized that the group provided a platform for landlocked developing countries to coordinate their development efforts and agree on common positions on global issues, such as the ongoing discussions on the post-2015 development agenda. He informed participants of the influential role played by the group in the General Assembly decision to convene a global conference in 2014 to review progress in the implementation of the Almaty Programme of Action 10 years after its adoption. He also drew attention to an international agreement on the establishment of a think tank to deal with issues related to landlocked developing countries and encouraged African countries to become parties to the agreement to ensure sufficient signatories for it to become operational.

14. Mr. Shide, in his opening statement, underscored that the Almaty Programme of Action provided a unique opportunity to galvanize international solidarity and partnership to facilitate the effective participation of landlocked developing countries in international trade. He highlighted the commitment of his Government to the Almaty Programme of Action and noted that all the priority areas of the programme had been included in the country's previous three development plans. Ethiopia had made steady progress in its economic and social development since the adoption of the Almaty Programme of Action. The national gi oss domestic product (GDP) had grown on average by 11 per cent over the previous nine years. He also noted the challenges identified during the implementation of the Almaty Programme of Action, among them limited human and financial resources, as well as technical and institutional capacity.

15. He reiterated the importance of international support for landlocked developing countries in the implementation of the Almaty Programme of Action, including through South-South and triangular cooperation. Overcoming the challenges of landlocked developing countries called for close cooperation and collaboration with their transit neighbours. In conclusion, he commended the United Nations system for its key role, through the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, in mobilizing international support and resources for the implementation of the Almaty Programme of Action and urged development partners to scale up their contribution.

16. Mr. Lopes said, in his opening remarks, that it was fitting that the present meeting was taking place in Addis Ababa, the capital city of Ethiopia, a country that was transforming itself and had proved that it was possible for a landlocked country to extricate itself from poverty. He stressed that the Almaty Programme of Action was pertinent for African countries because it aimed at tackling trade facilitation and infrastructure challenges that were known to be more severe in Africa than in other regions of the world. Achieving the objectives of the Almaty Programme of Action would enhance Africa's regional integration, industrialization and economic transformation in general.

17. He underscored the need for the meeting to take into consideration existing trade and transport facilitation initiatives in Africa. He urged delegates to bear in mind the progress in WTO negotiations on trade facilitation and stressed that interventions made in the context of the Almaty Programme of Action could facilitate implementation of the envisaged WTO provisions. He also urged them to examine linkages between the Almaty Programme of Action and the ongoing discussions on the post-2015 development agenda. In conclusion, he assured the participants of the continued support of ECA in efforts to address the special needs of Africa's landlocked and transit countries and to strengthen their ability to engage in international trade.

Report on the status of implementation of the Almaty Programme of Action

18. Introducing the item, a representative of the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States gave a presentation on the global perspectives of the comprehensive 10-year review of the Almaty Programme of Action. He indicated that the landlocked developing countries continued to face problems, including inadequate transit infrastructure, remoteness from major markets; inefficient logistics systems; delays in transit owing to cumbersome border-crossing procedures; insufficient application of information and communications technology (ICT) and excessive documentation; heavy reliance on low-value high bulk commodities; and limited productive capacities.

19. The Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States had undertaken a study to estimate the total development cost (including economic and social dimensions) of being landlocked. Empirical evidence from the study indicated that being landlocked was an obstacle to development: the study findings showed

that the trade of landlocked developing countries amounted to only 61 per cent of the trade volume of coastal countries in 2010, and that transport costs for landlocked developing countries were 45 per cent higher than those of coastal economies in 2010 and had increased over time. The level of development of landlocked developing countries was on average 20 per cent lower than it would have been, had they not been landlocked.

20. Since the adoption of the Almaty Programme of Action, landlocked developing countries as a group had achieved higher rates of economic growth, but they were experiencing a decline in manufacturing value addition and agricultural productivity. On the social development front, landlocked developing countries had experienced a positive trend in the Human Development Index since 2003. They had also made advances on some of the Millennium Development Goals, including net primary school enrolment; the share of women in national parliaments; decrease in HIV prevalence rate; and the under-five mortality rate. More still needed to be done, however, in particular with regard to poverty reduction and undernourishment.

21. In the priority area of fundamental transit policies, landlocked developing countries and transit countries had increased harmonization of transport and transit policies and laws, streamlining of border procedures, the development of supportive institutional frameworks and the implementation of trade facilitation initiatives, including one-stop border posts, the Transports Internationaux Routiers (TIR) system, single window processing and third-party motor insurance schemes. There had been increased establishment, adoption and implementation of regional agreements, including the Intergovernmental Agreement on the Asian Highway and Railway Networks; the Africa region was also developing an intergovernmental agreement to underpin the Trans-African Highway.

22. In the priority area of infrastructure development and maintenance, there had been the development and upgrading of both the Asian Highway and the Trans-Asian Railway networks, transit corridors in Africa and transport infrastructure in South America. However, landlocked developing countries still had the lowest proportion of paved roads. All landlocked developing countries had experienced an increase in cellular subscription and Internet users over the review period. Dry ports were being established in all regions. The financing needs for infrastructure development were high.

23. In the priority area of international trade and trade facilitation, exports of landlocked developing countries had increased from $42 billion in 2003 to $224 billion in 2011. However, landlocked developing countries were still marginalized in international markets with a share of the world's overall trade that remained close to 1 per cent, and they relied heavily on the export of primary commodities and had low productive capacities.

24. Landlocked developing countries had made progress in facilitating trade and transport across borders. According to the World Bank report *Doing Business 2013*, the number of days that landlocked developing countries had taken to import had decreased from 57 in 2006 to 48 in 2013, and the number of days to export had dropped from 48 to 42 over the same period. Although that was a major achievement, the number of days taken by landlocked developing countries to import and export was still almost double that of transit countries.

25. Since 2003, three landlocked developing countries had been able to successfully complete their accession to WTO. Kazakhstan, Afghanistan and Ethiopia were in advanced stages of the accession process, and Azerbaijan, Bhutan and Uzbekistan were at various less advanced stages. Support for acceding countries was needed.

26. In conclusion, he indicated some of the priorities of landlocked developing countries, including a reduction in high trade transaction costs; enhanced productive capacities, value addition and diversification, and reduced dependency on commodities; infrastructure improvement; support for regional integration and corridor management; increased financial resources, official development assistance (ODA), foreign direct investment and remittances; and mainstreaming their particular challenges in the global post-2015 development agenda.

27. A representative of UNCTAD gave a presentation on fostering structural transformation in African landlocked developing countries. He stressed that transaction costs, especially transport and insurance costs, were generally higher in Africa and had been an impediment to trade. In Central Africa, for example, transporting 1 ton of goods along the route from Douala in Cameroon to N'Djamena in Chad cost $0.11 per kilometre, which was more than twice the cost in Western Europe, where the cost was $0.05. Given the dire state of transport and trade facilitation services in the African landlocked developing countries, it was likely that the focus on transport, trade facilitation and transit agreements would remain a priority in future programmes of action of this group of countries.

28. The challenges facing landlocked developing countries went beyond the difficulties of delivering goods on time and at reasonable cost to international markets to include lack of productive capacity, declining agricultural productivity owing to low levels of investment, a high incidence of poverty, excessive dependence on exports of primary products, low levels of skills and technological base, a private sector dominated by informality and limited progress in structural transformation.

29. Although Africa had experienced a period of sustained economic growth, that growth had not been translated into sufficient job creation and improved human development, and there was little indication of structural change towards productivity-led and higher-value-added economies because of high dependency on the extraction and export of natural resources. Structural transformation in landlocked developing countries could be achieved only by shifting resources between sectors or from production of low-technology and low-productivity goods and services to high-technology and higher-productivity goods such as high-value horticultural goods and e-services. He emphasized that manufacturing, services and agriculture were sectors that could foster structural transformation.

30. He highlighted specific policy areas that could promote structural transformation, including regional integration. Africa needed to expand the focus of its regional integration agenda beyond increasing intra-African trade and to place more emphasis on economic growth and development outcomes in general. Africa should develop regional value chains as a stepping stone for greater integration into global value chains. That would require increasing investment in hard and soft infrastructures, continuous upgrading of domestic firms that were involved in value chains, providing business support services and market information, and investing in education and innovation. In each of those areas, national and regional industrial

policies would play a crucial role. Landlocked developing countries should also foster entrepreneurship, especially among small and medium enterprises, and building the production and supply capacity of domestic private enterprises was crucial.

31. A representative of ECA gave a presentation on the status of implementation of the Almaty Programme of Action in Africa. He noted that African landlocked developing countries had made good progress in economic and social development during the implementation of the Programme of Action. Their human development indicators had improved, and the gap between landlocked developing countries and transit countries had narrowed. African landlocked developing countries had made notable progress towards the achievement of some of the Millennium Development Goals, namely, education, gender equality and combating HIV/AIDS. More remained to be done, especially in terms of poverty reduction and child mortality and inequalities that had increased within landlocked developing countries.

32. In the priority area of fundamental transit policies, he noted that participation of African countries in relevant international conventions was poor. Most landlocked developing countries and transit countries were party to regional and subregional agreements and, sometimes, bilateral agreements. He stressed that it was important that relevant instruments were effectively ratified and implemented by both landlocked developing countries and their transit neighbours so that landlocked developing countries could realize the benefits of becoming more integrated into the world economy. He pointed out that transit transport legal instruments at the subregional level had been updated after the adoption of the Almaty Programme of Action to focus on transit facilitation. Landlocked developing countries and transit countries were implementing several transit transport facilitation policies and measures, including one-stop border posts; the introduction of single window processing systems; harmonized road transit charges and customs declaration documents; third-party motor vehicle insurance schemes; reduction of roadblocks; and increased use of electronic systems for customs clearance. The initiatives had contributed to significant reductions in transit times and transport costs.

33. In the priority area of infrastructure development and maintenance, progress had been achieved in developing road infrastructure in the major transit corridors of the Trans African Highway. However, major infrastructure gaps remained that required substantial resources; the development and maintenance of supportive infrastructure, including distribution centres, dry ports, border structures and secure rest areas, were also necessary. Although some progress had been made in improving energy infrastructure, Africa had the lowest energy access in the world. With regard to ICT, African landlocked developing countries had significantly increased mobile telephony and Internet use, but they lagged behind other developing countries in terms of broadband Internet access, because of lack of direct access to submarine cables.

34. In the priority area of international trade and trade facilitation, merchandise exports of African landlocked developing countries grew only threefold. African landlocked developing countries were highly dependent on primary commodities with very high export concentration in 2010 and 2011 (Mali, 79 per cent gold; Botswana, 75.6 per cent diamonds; Malawi, 58.4 per cent tobacco, etc.). The African export market concentration was shifting from traditional European Union

dominance towards emerging economies. Although trade facilitation had improved, trade transaction costs were still high and had increased in African landlocked developing countries. African landlocked developing countries could benefit from a trade facilitation agreement under WTO. Two African landlocked developing countries were not yet party to WTO.

35. In the priority area of international support measures, African landlocked developing countries had experienced an increase in ODA and aid for trade over the review period; they had also benefited from technical and financial support from international and regional financial institutions, African infrastructure funds and South-South cooperation. The United Nations and other international organizations had provided technical and capacity-building assistance. In conclusion, the representative of ECA highlighted some of the emerging challenges, including civil conflicts, the global economic and financial crisis, climate change, rapid urbanization and migration, and governance and natural resource management.

36. In the ensuing discussion, participants stressed the need to improve transport infrastructure, in particular completion of missing links and upgrading the road network. Emphasis was placed on the importance of ICT and energy infrastructure that were crucial for improving the connectivity of landlocked developing countries and should be funded. Participants noted that limited diversification of the export base, and lack of value addition and productive capacity were a major challenge for landlocked developing countries. Participants underscored the importance of ratification by landlocked developing countries and transit countries of relevant conventions and of support from the international community.

Regional and subregional infrastructure and trade facilitation initiatives in Africa

37. Presentations were made by representatives of the following institutions under this agenda item: AUC; Trans-Kalahari Corridor Secretariat; Central and Dar Corridors; International Commission of the Congo-Oubangui-Sangha Basin; Abidjan-Lagos Corridor; and Maputo Corridor. Presentations were also made on behalf of the following regional economic communities: ECCAS, SADC, ECOWAS and IGAD.

38. Most of the presentations outlined the geographical coverage, the scope of work and the objectives and programmes of the corridor institutions and their member States. The representatives of the corridor institutions gave an overview of the issues addressed by those bodies, which generally related to improving physical infrastructure, transit and trade facilitation, growth in traffic and business, and reduction in transit time and cost. Their achievements included the adoption of streamlined legislation, harmonized customs procedures and common transit procedures. Some had also set up observatories to collect information and data on the movement of people and goods, assess delays at border posts and carry out inspections of the state of roads. In addition, improvements were reported in risk management and compliance.

39. The representatives of the regional economic communities presented highlights of some of the ongoing infrastructure and transport programmes within the communities, including the tar road programmes in ECCAS, with 55 road projects aimed at building a multimodal transportation system for regional

integration; the ongoing implementation of programme initiatives responding to infrastructure needs in SADC to harmonize regional and trade integration; the already finalized and adopted feasibility studies for seven border posts in ECOWAS; and priority projects identified for corridor construction in IGAD (Djibouti-Ethiopia, Ethiopia-South Sudan, Ethiopia-Kenya, etc.), among others.

40. The AUC had made good progress in the implementation of the Trans-Africa Highway projects, in spite of many challenges. The Commission was moving into further initiatives to finance the identified missing infrastructure links on major transport corridors, and regarded the successful implementation of the Trans-Africa Highway and the Programme for Infrastructure Development in Africa as important milestones towards the implementation of the Almaty Programme of Action.

41. Some corridors, such as the Maputo Corridor, were mostly private-sector driven and focused on transport logistics, involving roads and railways. Trade imbalances between countries served by the same corridor, for instance, between Mozambique and Swaziland on the one hand and South Africa on the other, were also highlighted. Since its establishment, the Trans-Kalahari Corridor had prided itself on the harmonization of substantial cross-border procedures consistent with the regional integration programmes of SADC, the Southern African Customs Union, and the New Partnership for Africa's Development, and international best practices, namely, the adoption of streamlined legislation and harmonized customs procedures to facilitate transit traffic along the corridor; the successful introduction and implementation of a single administrative document (SAD 500); the adoption of common transit procedures; the harmonization of axle load limits; the reduction of border clearance (dwell) time from over several hours to less than one hour with a minimum of 30 minutes clearance; the increased commercial and passenger traffic from less than 5 per cent in 2000 to currently nearly 50 per cent (commercial) and 60 per cent (passenger).

42. In the ensuing discussion, participants noted that the desire of member States to safeguard and ensure national sovereignty was a contributing factor to the slow progress in dismantling trade barriers in Africa. They underscored that important recommendations related to transit transport and trade had been made in previous meetings and should be taken into consideration in order to avoid wasting time and resources, and stressed the need to clarify and sensitize stakeholders on the legal basis of some trade and transport facilitation instruments at the level of regional economic communities.

Country experiences

43. Presentations were made by representatives of the following landlocked developing countries: Burkina Faso, Burundi, Chad, Ethiopia, Lesotho, Mali, Niger, Rwanda, South Sudan, Swaziland, Uganda, Zambia and Zimbabwe. Presentations were also made on behalf of the following transit countries: Benin, Cameroon, Côte d'Ivoire, Djibouti, Nigeria, Togo and the United Republic of Tanzania.

44. The representatives of the landlocked developing countries highlighted the progress made in improving transport infrastructure, including road, rail, maritime and air transport; ICT and energy infrastructure; and dry ports. Most landlocked developing countries had utilized domestic resources and financial assistance from development partners towards infrastructure development; however, the

infrastructure development needs were still high and required more assistance. Representatives also noted that some seaports that they were using were heavily congested, and some indicated that they were developing alternative routes as a safeguard.

45. Most representatives stressed that their countries were party to subregional, regional and bilateral agreements. Some indicated that they were party to some of the relevant international conventions, while others said that they were not party to international conventions because of lack of knowledge and awareness of the conventions and their potential benefits. They stressed the need for capacity-building support. Landlocked developing countries had made progress in harmonizing transit and border-crossing procedures and in policies relating to management of transport facilities and services within regional economic communities. Many landlocked developing countries had established one-stop border posts, which had greatly reduced border-crossing times. They had also introduced automated customs systems and single window processing: many had developed institutional frameworks to coordinate trade or transit facilitation at the national level.

46. Although milestones had been achieved in different areas of infrastructure and transport facilitation, challenges still impeded the movement of persons, vehicles and goods along the corridors, including, among others, the continued imposition of non-tariff barriers; poor or inadequate infrastructure in landlocked developing countries, and even transit countries, to support efficient movement of goods; high logistical costs arising from delays along some borders; unavailability of empty containers; inadequacy of storage facilities; and lack of financial support for LLDC programmes.

47. The messages that emerged from the presentations made by transit countries mainly focused on their efforts in improving port clearing and border-crossing times; modernization and equipment of customs administration; simplification of custom and administration procedures; reducing escort fees; continuing cooperation with landlocked countries through corridor monitoring by means of transport observatories; setting up corridor management institutions and trade and transport facilitation committees, including the private sector; and close monitoring of cargo clearance and delivery with a view to reducing port congestion and transportation costs. The representatives of the transit countries drew attention to the high transportation costs in the region. They also mentioned ongoing efforts, with other partners (the private sector and other international partners) to reduce supply chain costs for exporters and increase the economic competitiveness of their countries, thus leading to job creation, higher incomes and reduced poverty. In the area of infrastructure, in addition to road improvements, efforts were also being made to extend ports and build new ones, modernize port equipment and create new trade and transport corridors.

48. In the ensuing discussion, participants noted that high customs fees at ports and along corridors and high transport costs were among key obstacles that needed to be addressed. There were also several missing links in major corridors, and there was an urgent need to step up rehabilitation of the infrastructure along major corridors. Participants also noted that if the Almaty Programme of Action was mainstreamed into national development strategies, it would help to influence budget allocation to priority areas for its effective implementation.

International support measures for the implementation of the Almaty Programme of Action

49. Presentations were made by representatives of the following international organizations under this agenda item: the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, UNCTAD, UNIDO and the International Road Transport Union.

50. In her presentation, the representative of the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States pointed out that ODA to landlocked developing countries more than doubled between 2000 and 2010 and reached $26 billion in 2011. However, the allocation was very uneven across landlocked developing countries, and six of the African landlocked developing countries relied on ODA for at least 20 per cent of their central Government expenditure. Aid-for-trade flows to landlocked developing countries had increased since 2003, with the majority of that aid going towards economic infrastructure and building productive capacity.

51. Foreign direct investment had increased for the landlocked developing country group; however, foreign direct investment to Africa had not increased as much as in other regions. Foreign direct investment was highly concentrated in a few resource-rich landlocked developing countries. In order to attract foreign direct investment, it was important to have an enabling environment in landlocked developing countries. Foreign direct investment should be promoted to support local processing, value addition, infrastructure development, trade facilitation and technology transfer. Improved market access was important for landlocked developing countries, and the international community should consider establishing a preferential market access scheme for landlocked developing country exports to mitigate the high trade transaction costs stemming from their geographical disadvantages. South-South cooperation had increased over the review period, and it was important to foster it through sharing best practices and experiences and knowledge, increased investment and transfer of appropriate technologies. United Nations organizations, regional economic communities, multilateral institutions including WTO and the World Bank, donors, regional development banks and some subregional organizations had supported landlocked developing countries through technical assistance, capacity-building, advocacy and resource mobilization. That support needed to be continued and increased.

52. In his presentation, the representative of UNCTAD noted that when the Almaty Programme of Action was drafted 10 years ago, it did not identify support measures specifically targeted at landlocked developing countries. Landlocked developing countries currently received assistance as developing countries and benefited from various international cooperation initiatives such as ODA, and many of them were part of free trade agreements and South-South cooperation. However, those measures were not specific to landlocked developing countries, nor were they related to the geographical handicap of having no direct access to the sea. It was important for specific measures such as special and differential treatment and those measures applied to least developed countries under WTO to be extended to landlocked developing countries. The European Union could be invited to consider extending European Banking Authority privileges to all landlocked developing countries as part of the Almaty Programme of Action review process. An extension of European Banking Authority benefits to all landlocked developing countries

would be a historic achievement of a successor programme to the Almaty Programme of Action. In conclusion, the representative of UNCTAD highlighted some of the technical assistance that UNCTAD provided to landlocked developing countries.

53. In his presentation, the representative of the International Road Transport Union outlined the support that his organization provided for sustainable development and facilitation. On facilitation, he said that the Convention on International Transport of Goods Under Cover of TIR Contracts (TIR Convention) played a key role in facilitating international trade and transport, in particular, over the past 15 years, for landlocked developing countries in Central Asia. What had been used by landlocked developing countries in other regions to develop and facilitate trade and transport could be used with the same positive effects for landlocked developing countries in Africa. The International Road Transport Union Academy had also contributed to increased capacity-building for landlocked developing countries by providing, through its network of accredited national training institutes, training programmes for road transport operators and drivers fully in line with international standards, thereby contributing to strengthening the profession and increasing the efficiency and profitability of road transport companies, while also contributing to sustainable development, notably through eco-driving programmes, and to road safety. He highlighted the cooperation of the International Road Transport Union with the AUC, ECA, the World Bank and the Sub-Saharan Africa Transport Policy Programme, and confirmed that the International Road Transport Union was ready to share its knowledge and experience to facilitate accession to and implementation of the key United Nations conventions.

54. In his presentation, the representative of UNIDO highlighted the initiatives that the organization was undertaking to support landlocked developing countries in improving their productive capacities, particularly in energy, industrialization and entrepreneurship. He stressed that landlocked developing countries should be subject to special international measures.

55. In the ensuing discussion, several participants emphasized that landlocked developing countries had special needs in various areas ranging from investment and maintenance of hard and soft infrastructure to enhancing trade and productive capacities, with regional integration and global value chains also having an important role to play. It was stressed that investing in road infrastructure was important, and improving the rolling stock of the rail sector was equally important in African landlocked developing countries. Participants also emphasized the need to consider the creation of innovative sources of financing, such as funds for the development of transport and energy infrastructure. It was also necessary to improve foreign direct investment flows to landlocked developing countries, and it was suggested that countries should improve international corridors to attract foreign direct investment more effectively.

Implementation and review of the Almaty Programme of Action

56. A representative of the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States gave a presentation on the implementation, monitoring and

review of the Almaty Programme of Action. He presented a road map for the comprehensive 10-year review of the Programme to be held in 2014, highlighting the activities on three main tracks, namely, intergovernmental, United Nations inter-agency and private sector.

57. He informed the meeting that implementation, monitoring and review needed to be undertaken at all levels, including national, subregional, regional and global. Landlocked developing countries and transit developing countries had to be mutually accountable for actions to improve transit processes. At the national level, landlocked developing country Governments should mainstream the new programme of action into their national and sectoral development strategies, and implement and conduct regular reviews.

58. At the subregional level, organizations should develop and implement priority projects for infrastructure development, mainstream the Almaty Programme of Action implementation into their relevant programmes of work and undertake reviews. At the regional level, the relevant United Nations regional economic communities should undertake periodic reviews. The Almaty Programme of Action should be mainstreamed into development assistance and funding.

59. The implementation of the new programme of action would undergo an annual review at the global level by the General Assembly, involving annual reports of the Secretary-General, the assessment of indicators to measure the progress of achievements and the biannual General Assembly plenary interactive thematic dialogue. The governing bodies of organizations in the United Nations system should mainstream the implementation of the Almaty Programme of Action into their programmes of work, and sectoral and thematic reviews of the Programme should be undertaken.

Role of private sector in implementation of the Almaty Programme of Action

60. Introducing the item, the representative of the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States reiterated the important contribution of the private sector in the development efforts of landlocked developing countries and the need to include the private sector in the preparatory process of the 10-year review conference. Presentations were made by representatives of chambers of commerce and other private sector organizations from Burkina Faso, Ethiopia, Kenya, Nigeria, Togo, Uganda, and Zimbabwe.

61. The representatives noted that chambers of commerce, whose membership was derived from small and medium enterprises, played a key role in promoting trade and investment, as well as creating opportunities for export markets through trade exhibitions and international partnerships. The chambers worked with Governments both in the development and the implementation of Government policies, particularly on trade and investment. At the global level, the International Chamber of Commerce played a role in promoting private sector involvement in the global development agenda. It was further noted that the private sector was not well resourced and sometimes lacked the capacity to make meaningful contributions. The importance of including the private sector in the new development agenda for landlocked developing countries was stressed. The private sector representatives

also bemoaned the high transportation costs incurred by landlocked developing countries and indicated that bad governance was a major contributor. They emphasized the need to improve governance in the new development agenda in order to reduce the cost of doing business.

62. In the ensuing discussion, participants noted that other private sector organizations in some landlocked developing countries, such as shippers' councils, also played a major role in national development and should be consulted as private sector representatives in their countries. Participants also noted that the private sector, in particular public-private partnerships, could play a major role in infrastructure rehabilitation and maintenance, but there remained challenges that needed to be overcome, including strengthening policy and legal frameworks. It was noted that limited effective communication between the Government and the private sector could lead to the private sector's lack of awareness of many conventions and initiatives, from which they were meant to benefit or which they should implement. The issue of governance, in particular corruption, needed to be addressed in order to reduce the cost of doing business in landlocked developing countries.

IV. Recommendations

63. The meeting adopted the following recommendations:

1. Investment in infrastructure development:

(a) The establishment of a secure, reliable and efficient transit transport system, which is the overarching goal of the Almaty Programme of Action, still remains critical for landlocked developing countries to reduce transport costs and enhance their competitiveness in regional and global markets. Further development and maintenance of supportive infrastructure, including distribution centres, intermodal points, dry ports, border structures and rest areas that are secure, is therefore necessary;

(b) Future infrastructure developments in the transport sector should take into consideration two important aspects: the need for alternative transit transport corridors and rebalancing the modal mix. There is a strong need to develop alternative route and multimodal transport;

(c) More investment is needed in hard infrastructure in both landlocked and transit developing countries to close the missing links and upgrade transport infrastructure, and in energy and ICT infrastructure, particularly broadband, in order to improve the connectivity of landlocked developing countries and the reliability of communications networks and electricity supply;

(d) Member States and regional economic communities should mobilize resources, with the support of development partners, to improve inland water transport. The landlocked developing countries need financial and technical assistance in this regard;

(e) African countries and regional economic communities should articulate clear implementation strategies for existing corridor infrastructure programmes, especially those that have the potential to promote regional integration and enhance intra-African trade;

(f) Regional economic communities and African countries should initiate and improve regional transit management systems;

(g) The AUC, regional economic communities and member States should step up ongoing resource mobilization efforts, particularly domestic resource mobilization.

(h) Creation of innovative financing mechanisms to combine public and private contributions to fund infrastructural development should be pursued including public-private partnerships, catalytic mechanisms and non-traditional applications of solidarity.

2. Enhancing accession and effective implementation of relevant conventions:

(a) Landlocked developing countries and transit countries should become parties to and effectively implement the existing key United Nations trade and transport facilitation instruments, in particular the TIR System/Convention, the International Convention on the Harmonization of Frontier Controls of Goods, 1982, the Convention on Traffic and Road Safety, the Customs Convention on the Temporary Importation of Commercial Road Vehicles, the Customs Convention on Containers, the Convention on the Contract for the International Carriage of Goods by Road, the Agreement on the International Carriage of Perishable Foodstuffs and on the Special Equipment to be used for such Carriage, and the European Agreement concerning the International Carriage of Dangerous Goods by Road, as well as regional and subregional agreements;

(b) Relevant United Nations systems and other organizations should intensify capacity-building assistance to landlocked developing countries and transit countries with respect to the international legal instrument, including training programmes for all stakeholders, to raise awareness and understanding of the process and implications of accession to international conventions, regional and subregional agreements relating to transit facilitation and transport;

(c) The private sector should be involved at all stages in the development of transport and trade instruments, including the conceptual stage. This will improve its ownership and willingness to support the implementation of these instruments.

3. Investment in transit cooperation and trade facilitation:

(a) Landlocked developing countries and their transit partners should undertake further harmonization of policies, simplification and standardization of rules, documentation and border-crossing and customs procedures;

(b) Trade facilitation initiatives that have proved to work, such as one-stop border posts, where appropriate, should be replicated and fully funded in order to make them efficient in close consultation with corridor management institutions;

(c) More attention should be given to addressing road safety along transit corridors, as well as health care and truck stops;

(d) Development partners should scale up their support for facilitating accession to and implementation of the key global United Nations facilitation conventions and look for the harmonization of transit transport and trade instruments in Africa;

(e) Regional economic communities, with the support of development partners, should develop a prototype (template) legal framework for one-stop border posts in close consultation with corridor management institutions;

(f) Regional economic communities and corridor management institutions, with the support of development partners, should undertake a review of the legal and operational framework of one-stop border posts;

(g) Implementation efforts of one-stop border posts concepts in the landlocked and transit countries that are behind schedule need to be bolstered and the operations of existing ones need to be improved;

(h) Regional economic communities and corridor management institutions should be strengthened and mandated to play an advocacy role, and to monitor the implementation of trade facilitation instruments and measures at the national level;

(i) The private sector should be involved in developing trade facilitation instruments, as this will provide them with the incentive to advocate for the domestication of these instruments;

(j) Regional economic communities, with the support of development partners, should undertake studies on the cost of trade facilitation in order to clarify the benefits of implementing existing instruments and measures to member States;

(k) Non-tariff barriers on corridor routes, which lengthen the transit time and increase the cost of using the routes, need to be removed;

(l) Regional economic communities and member States should implement non-tariff barriers reporting and elimination systems, such as the one developed by SADC, the Common Market for Eastern and Southern Africa and the East African Community.

4. Trade negotiations and enhanced trade:

(a) Develop a fair, just, transparent, inclusive and predictable multilateral trade system to support the effective opening of markets and the creation of opportunities for developing countries, and particularly for the most vulnerable and small countries such as landlocked developing countries. Faster progress is needed in the Doha Development Round so that landlocked developing countries can reap benefits, particularly in areas that have strong positive impacts on the trade flows of landlocked developing countries, such as trade facilitation, market access and the elimination of non-tariff barriers and other trade distorting measures, as well as implementation issues;

(b) Trade facilitation is an area of great importance in the current negotiations to reduce costs and guarantee predictability for LLDC exports. Improved trade facilitation will help landlocked developing countries to gain more efficient flow of goods and services, as well as improved international competitiveness. The future agreement on trade facilitation, in the final

outcome of the Doha Round, should contain binding commitments ensuring freedom of transit; customs cooperation; expedited movement, release and clearance of goods in transit; most favoured nations treatment; national treatment, fees and charges commensurate with transit services; and transparent and predictable procedures, as well as special and differential treatment for landlocked developing countries with the necessary financial and technical support. There is an imperative need for the consideration of the special needs of landlocked developing countries in the current WTO negotiations on trade facilitation;

(c) Landlocked developing countries should be supported to actively negotiate and push for adoption of a trade facilitation agreement that can take care of the interests and concerns of landlocked developing countries. At the same time, landlocked developing countries should make efforts to diversify into tradable goods that are less transport dependable and that are also less subject to trade barriers such as services;

(d) Improved market access is needed for agricultural and non-agricultural goods originating from landlocked developing countries to ensure their meaningful participation in the global trading regime.

5. WTO accession:

The accession procedure for landlocked developing countries should be simplified to take into account the individual levels of development and the special needs and problems caused by the geographical disadvantage of being landlocked. All provisions on special and differential treatment reflected in the General Agreement on Tariffs and Trade and in all WTO agreements must be effectively granted to all acceding landlocked developing countries. In this regard, the sharing and dissemination of experiences and guidelines on WTO accession is important to allow landlocked developing countries to benefit from each other's experiences. Continued technical support is needed for landlocked developing countries acceding to WTO to help expedite their accession.

6. Structural transformation, diversification, value addition and industrialization:

(a) African landlocked developing countries, most of which depend on trade in commodities, have a real opportunity to capitalize on their resource endowment and high international commodity prices, as well as changes in how global production processes are organized. Commodity-based industrialization can provide an engine of growth for the continent, reducing its marginalization in the global economy and enhancing its resilience to shocks. Key among the components of this framework is the need to design and implement effective development plans and industrial strategies to address constraints and tap opportunities for African countries to engage in value addition and commodity-based industrialization. Successful industrial policies would assist African countries to strengthen and sustain their policy space through higher and sustainable growth rates and tax revenue;

(b) Landlocked developing countries, with the assistance of the international community, should adopt policies aimed at structurally transforming their economies with an emphasis on research, innovation,

industrialization, value addition, enhanced productive capacities, diversification and a reduction of dependency on commodities, increased technology transfer, increased agricultural productivity, expansion of the services sector and joining global and regional value chains;

(c) Provide measurable goals and a mechanism for monitoring progress on structural transformation;

(d) Address and build the resilience of landlocked developing countries to economic, financial and food crises, climate change and desertification.

7. Regional integration and cooperation:

(a) The share of intra-African trade is extremely low relative to other major regions, hovering between 10 and 12 per cent. Intra-African trade is more diversified and reliant on manufactured goods than Africa's trade with external partners, and increased trading among African countries has huge potential to support industrialization and structural transformation. African countries should address the trade-related constraints such as tariff and non-tariff barriers, poor infrastructure, lack of exploitation of supply chain potential, paucity of productive capacity, governance issues and social and economic stability in order to boost intra-African trade;

(b) There are significant opportunities for greater exploitation of the potential of regional economic integration, especially in terms of increasing intra-regional trade and intra-regional foreign direct investment flows and improving connectivity through transport, energy and ICT networks. Landlocked developing countries need to fully leverage the regional preferential trading arrangements for harnessing the complementarities not only within the subregion, but also across subregions in critical areas such as energy security and trade facilitation to promote a more inclusive and balanced pattern of economic growth and sustainable development;

(c) Landlocked developing countries and their regional and global development partners should make efforts to deepen regional integration, including accelerating the implementation of free trade agreements in order to enhance competitiveness and maximize benefits from globalization.

8. Free movement of persons and goods:

(a) Regional economic communities, corridor management institutions and member States should strengthen their capacity to enable them to implement their mandate in the area of free movement of persons and goods needs;

(b) Tracking progress in the free movement of persons and goods is difficult because several Government departments (for example, transport, trade and immigration) are involved in the process, and there is thus a need for enhanced coordination;

(c) The extent to which progress has been made in the free movement of persons and goods varies across regional economic communities and more studies are needed to improve current understanding of the issues;

(d) Regional economic communities and member States should develop and implement simplified and harmonized visa systems for drivers involved in international transport (freight and passengers).

9. Enhancing the role of the private sector:

(a) Landlocked developing country Governments should strengthen the public-private partnership policy frameworks and put in place the necessary legal instruments and institutions to enhance the role of the private sector;

(b) Landlocked developing countries and their development partners should enhance the capacity of the private sector in particular entrepreneurship for small and medium-sized enterprises;

(c) Landlocked developing country Governments should improve consultation and involvement of the private sector in regional integration processes and initiatives, especially transit cooperation and border management;

(d) Similarly, at subregional, regional and global levels, the private sector should be allowed to participate and contribute to the formulation of regional and global policies and legal instruments;

(e) The private sector should be included as a key stakeholder in the new programme of action for landlocked developing countries;

(f) Landlocked developing countries should seek to create a stable, predictable and enabling investment environment for attracting increased and more diversified foreign direct investment.

10. International support measures and financial resources:

(a) Specific and targeted support measures should be provided to landlocked developing countries by the United Nations system organizations, international organizations and development partners, in order to help them mitigate the high cost of being landlocked;

(b) Official development assistance, aid for trade and South-South cooperation should be fully enhanced and harnessed to address the physical and non-physical barriers that separate landlocked developing countries from the broad currents of world trade;

(c) The international community should support and encourage foreign direct investment flows to landlocked developing countries;

(d) United Nations organizations, particularly the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States and ECA, international, regional and subregional organizations, international and regional financial institutions and other stakeholders should continue and scale up their support to help landlocked developing countries improve supply-side capacities to take advantage of trading opportunities already at hand and to allow them to expand their international trading frontiers;

(e) The private sector and public-private partnerships and multilateral and regional financial and development institutions must play a critical role in meeting financing gaps. Landlocked developing countries should establish an appropriate legal framework for public-private partnerships;

(f) Innovative sources of funding need to be explored, including the channelling of remittances to productive activities and infrastructure bonds;

(g) United Nations systems and other development agencies should provide funding and programmes for innovative financing for facilitating the renewal of the fleet for international transport of goods and passengers.

11. Implementation and review:

(a) The successor programme of action should have ambitious short-, medium- and long-term goals and targets with a clear monitoring and reporting mechanism that will ensure that the programme is mainstreamed into national development strategies, subregional and regional development and integration frameworks and the work programmes of regional economic communities;

(b) The follow-up monitoring mechanism should be a continuing and evolving process to reinforce partnerships and mutual accountability;

(c) Regional economic communities should mainstream the new programme of action and conduct regular reviews at the subregional level, and ECA, in collaboration with the AUC, should take a lead in organizing biannual reviews of the programme at the regional level that would contribute to the annual global review by the General Assembly;

(d) An African centre of excellence for landlocked developing countries should be established in Addis Ababa.

12. Post-2015 development agenda:

(a) Mainstream the special needs of landlocked developing countries into the global post-2015 development agenda and sustainable development goals;

(b) The new development agenda for landlocked developing countries must specifically address the challenges of landlocked developing countries in a more holistic manner.

13. Follow-up:

(a) The report of the African regional review meeting, including its recommendations, should be submitted to the next Conference of African Ministers of Transport and the next Conference of African Ministers of Trade;

(b) The report should also be submitted to the second United Nations Conference on landlocked developing countries and its intergovernmental preparatory committee with a view to fully reflecting the views and interests of African landlocked and transit developing countries in the final outcome document of the Conference.

V. Closing

64. The ECA representative thanked the participants for their positive and effective participation, which had enabled the meeting to reach fruitful conclusion. He then declared the meeting closed.

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Item 3 of the provisional agenda**
Preparations for the Conference: briefings and presentations

Report of the regional-level preparatory review meeting for Latin America

Summary

The regional-level preparatory review meeting for Latin America was held on 19 November 2013 in Asunción as part of the preparatory process for the Second United Nations Conference on Landlocked Developing Countries, which will be held in Vienna in November 2014 pursuant to General Assembly resolutions 66/214 and 67/222. The present report provides an account of the meeting and its outcome.

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I. Attendance and organization of work

1. In preparation for a comprehensive 10-year review of the implementation of the Almaty Programme of Action, the Second United Nations Conference on Landlocked Developing Countries, a regional meeting was held in Asunción on 19 November 2013 pursuant to General Assembly resolutions 66/214 and 67/222.

2. Representatives of the following States members of the Economic Commission for Latin America and the Caribbean (ECLAC) attended: Argentina, Bolivia, (Plurinational State of), Brazil, Chile, Paraguay and Peru.

3. Also participating in the meeting, were representatives of the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, on behalf of the United Nations Secretariat, and a representative of the Group of Landlocked Developing Countries.

4. Representatives of the following organizations of the United Nations system also attended: the United Nations Conference on Trade and Development (UNCTAD), the Food and Agriculture Organization of the United Nations and the United Nations Development Programme.

5. Representatives of intergovernmental organizations and international cooperation agencies also attended the meeting.

6. The representative of Paraguay was elected to preside over the meeting.

II. Agenda

7. The meeting adopted the following agenda:

1. Election of officers and adoption of the agenda.
2. Review of the implementation of the Almaty Programme of Action at the global, regional and national levels.
3. New and emerging challenges facing landlocked developing countries in Latin America and international support measures.

III. Proceedings

Opening session

8. At the inaugural session, statements were made by Federico González, Deputy Minister for Economic Affairs and Integration of the Ministry for Foreign Affairs of Paraguay, Antonio Prado, Deputy Executive Secretary of ECLAC, and Gyan Chandra Acharya, High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States.

9. The Deputy Minister for Economic Affairs and Integration of Paraguay welcomed the participants and said that the purpose of the meeting was to contribute, from a Latin American perspective, to the revision of the Almaty Programme of Action, adopted in 2003. The documents that would serve as the basis for the debate recognized that important headway had been made in the landlocked developing countries while acknowledging that major challenges lay ahead. Limited

physical infrastructure, logistical failings and a lack of institutions and legislation were among the main obstacles to development in landlocked countries.

10. The Deputy Executive Secretary of ECLAC thanked the Government of Paraguay for its hospitality and support in the organization of the meeting and referred to the close cooperation between ECLAC, the Governments and the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States since the adoption of the Almaty Programme of Action in 2003. He said that the landlocked status of those countries, together with their remoteness and isolation from the main international markets, left them heavily dependent on transit countries for maritime trade, which had a direct impact on their economic growth. Without a coastline, they were unable to participate fully in international trade and their comparative advantages were accordingly diminished, prejudicing their ability to foster social development and environmental sustainability.

11. The Deputy Executive Secretary of ECLAC said that although Paraguay and the Plurinational State of Bolivia had made significant progress in various areas of development, in particular by improving their connectivity and customs procedures, challenges remained, in particular in the area of infrastructure. He listed various strategic steps that could be taken at the national and multilateral levels, such as establishing macroeconomic stabilization mechanisms, promoting investment in infrastructure, encouraging greater production diversification, generating knowledge on logistics costs and their impact on development, addressing the shortfall in physical infrastructure investment, correcting operational inefficiencies in transport services, harmonizing technical standards with those of neighbouring countries, fostering tourism opportunities and participating fully in the knowledge society.

12. The High Representative thanked the Government of Paraguay for its support and highlighted the important role it had played since the first regional preparatory meeting on landlocked developing countries was held in Asunción in 2003. He also said that Paraguay had coordinated the Group of Landlocked Developing Countries in New York in 2010 and 2011 and that it was currently a member of the Bureau of the Group. He highlighted the contribution of ECLAC to promoting the implementation of the Almaty Programme of Action in the region. The regional meeting represented a unique opportunity for landlocked developing countries to assess the implementation of the Almaty Programme of Action and to define a new strategic framework for the following decade.

13. The High Representative acknowledged that landlocked developing countries had very high expectations for the 2014 conference. Developing countries expected that the new programme of action would be robust and would reflect the specific needs of landlocked countries. The Secretary-General of the United Nations was aware of those expectations and had pledged his full support for the Conference.

Review of the implementation of the Almaty Programme of Action at the global, regional and national levels

14. The first plenary session, on the theme "Review of the implementation of the Almaty Programme of Action at the global, regional and national levels", was moderated by a representative of ECLAC.

15. The Director of the Office of the High Representative presented an overview of landlocked developing countries in other regions. She referred to four priority areas: fundamental transit policy issues; infrastructure development and maintenance; international trade and trade facilitation; and international support measures.

16. The Chief of the Infrastructure Services Unit of the Natural Resources and Infrastructure Division of ECLAC then presented an assessment of implementation of the Almaty Programme of Action at the regional level.

17. The head of operator services at the Vice-Ministry of Transport of the Plurinational State of Bolivia presented an up-to-date overview of that country in terms of transport, export, import and logistics. He said that as a State Member of the United Nations, the Plurinational State of Bolivia shared the objectives of the Almaty Programme of Action, in particular those relating to free and safe access from and to the sea and the policies for improving customs procedures, trade and transport.

18. He added that the Plurinational State of Bolivia shared the special needs of the other landlocked developing countries and said that those needs should be addressed in a spirit of understanding and multilateral cooperation. The international commitment towards those countries would enhance their socioeconomic and human development, which was hampered by lack of access to the sea, isolation and high transport costs.

19. He described the geography of the country, including its numerous, extensive and diverse borders, and the topographical isolation it suffered owing to its unreliable and inadequate infrastructure;[1] those same factors also severely constrained the growth and development of the country's productive sectors. Most products for export were transported by road, making the international highways the most important exit routes. He detailed the modes of transport used for import and export, and highlighted the country's achievements in the area of transport, including the project on the bi-national border service centre in Desaguadero, Peru, the strides made towards signing the supplementary protocol to the Ilo agreements between the Plurinational State of Bolivia and Peru and the special economic and industrial free trade zones.

20. The Plurinational State of Bolivia was working on the final phase of a new general transport law. The land infrastructure investment projects were mentioned, most of which focused on the main transport corridors, on building railroads between Montero and Bulo Bulo and investing in airports in different localities. The primary transport challenges in the country were: (a) the unreliability and inadequacy of its transport infrastructure compared with that of its neighbours and the corresponding impact on the competitiveness of its export products;

[1] The Plurinational State of Bolivia's rail network is 3,697 km long and is divided into the western and eastern sectors. There are no connections between the two, which limits the use of rail as a transportation mode. Export products are transported primarily using bi-oceanic corridors of ground transportation and international highways. Of the country's 14 airports 4 are international. They are located in the cities of La Paz, Cochabamba, Santa Cruz and Tarija. All are managed by Bolivian Airport Services Company. The country has 14,000 km of navigable waterways, the most important of which is the Paraguay-Paraná waterway.

(b) excessive bureaucracy at border crossing points; and (c) a lack of harmonization in neighbouring countries' customs procedures.

21. Transport plans, programmes and projects in the Plurinational State of Bolivia included developing airport infrastructure by modernizing and equipping all airport terminals and training all staff; building a national Matacucito-Mutún-Puerto Busch rail network for mineral exportation; improving and developing the transport logistics infrastructure; and paving and maintaining all primary and secondary networks. Reference was also made to plans to implement early warning systems and to the risk management programme, air-monitoring systems that would provide greater control and more statistical data, the establishment of standards to regulate the authorization and renewal of ground transportation permits and standards, the development of a national network and waterway, the improvement and maintenance of waterways and the establishment of signalling systems on the waterways and at ports.

22. Lastly, the speaker emphasized that cooperation with other countries was key to greater competitiveness.

23. The coordinator of the national logistics plan and the master transport plan of Paraguay presented his country's experiences and also referred to the regional dimension, connectivity and transport policies, infrastructure development and maintenance, international trade and trade facilitation. He briefly described the current international challenges, but said that trade within the Andean Community and the Southern Common Market (MERCOSUR) was very limited in comparison with other trading blocs. There was considerable potential for expanding trade, but it would require modernization of the transport systems in the countries of the region, particularly in Paraguay and the Plurinational State of Bolivia. Regional physical integration efforts were very important, in particular the portfolio of projects making up the Initiative for the Integration of the Regional Infrastructure of South America, which was the technical forum of the South American Infrastructure and Planning Council. Nevertheless, the projects in the portfolio needed to be executed, which would require significant future investment.

24. A representative of Paraguay said that his country and the Plurinational State of Bolivia were in an enviable position because of the wealth of their natural resources but that the productive sectors needed better connections in order to have access to ports on the coast, especially on the Atlantic, in order to be competitive. There were various congestion points in Paraguay, caused, for example, by inadequate bridge capacity at border crossing points and a lack of paved roads between Paraguay and the Plurinational State of Bolivia. He also mentioned depth issues in Atlantic ports and highlighted the importance of enhancing Paraguay's integration with the Plurinational State of Bolivia.

25. The transport policy associated with the transport flow system and existing agreements with transit countries, including the International Land Transport Agreement, were mentioned along with a subgroup of MERCOSUR, dedicated to regulatory and integration processes for the facilitation of cargo flow. Paraguay was working on vehicle inspections, civil liability, the transport of dangerous goods and truck weight and emissions.

26. With regard to the master transport plan and the national logistics plan of Paraguay, the representative said that although the master plan was generating an

infrastructure matrix in which an efficient supply would lead to lower costs, the national logistics plan sought, over and above cost-cutting, to attract value to the hinterland in a way that would have a favourable impact on economic development and growth.

27. He described the impact of the ban on transporting transgenic soybeans through Paraná State in Brazil on the modal distribution of international transportation used by Paraguay. He added that it was also important to promote the development of the rail system. With regard to the master transport plan, $5.3 billion would be invested in infrastructure development over the following 10 years, a large share of which would come from the private sector. Paraguay had a law on public-private partnerships, a concessions law and a procurement law. The regulatory system would require reform in order to establish coordination within the State and ensure that efficient investments were made.

28. Referring to product competitiveness challenges arising from the ratio of freight density to value, he recommended that further efforts be made to analyse costs and cost overruns in the country's logistics chains. Although numerous export facilitation mechanisms had been implemented, such as single export and import windows, secure trade standards and container control programmes, the performance of the mechanisms still required attention.

29. The representative said that while the recent economic performance had been good, it needed to be accompanied by effective State policies, since operator or market development without appropriate regulation often led to significant lags. The establishment of private ports in the metropolitan region of Asunción had caused problems, and better coordination was needed between the different actors in logistics chains.

30. The representatives of the transit countries present at the meeting (Argentina, Brazil, Chile and Peru) agreed that planning was a vital long-term policy tool and that there was a need to develop integrated and complementary infrastructure, transport and logistics policies. They described their countries' experiences in that area, but said that efforts needed to be intensified.

31. The representative of Brazil thanked the participants and, in particular, the representatives of Paraguay and the Plurinational State of Bolivia for their presentations. He said that the existing cooperation must be intensified and agreed that the Initiative for the Integration of the Regional Infrastructure of South America, now part of the South American Infrastructure and Planning Council, was important. There were 31 priority projects, 13 of which directly benefited Paraguay and the Plurinational State of Bolivia. He also emphasized the importance of the Paraguay-Paraná waterway and the need to further incorporate the regulations of the Intergovernmental Committee on the Waterway.

32. He then referred to MERCOSUR, in particular the transport subgroup, and said that the Plurinational State of Bolivia was in the process of joining the group. He talked about the financial dimension and regional efforts within the bloc, in particular the MERCOSUR structural convergence fund and the recently inaugurated transmission line between Itaipú and Asunción.

33. The representative of Chile thanked the meeting organizers and said that collaboration, dialogue and cooperation with landlocked countries were very important for her country. The South American Infrastructure and Planning Council

and the Initiative for the Integration of the Regional Infrastructure of South America were crucial, as they had drawn attention to regional bilateral and multilateral connectivity needs and the processes that would have to be incorporated in the interface with physical connectivity. Transit policies should include key actors, and the International Land Transport Agreement was important, as were integrated systems for border checks and customs cooperation. They were essential for non-discriminatory and truly efficient functioning, whereby unilateral national policies did not take precedence over the common vision.

34. She requested that cooperation efforts between landlocked and transit countries being pursued through the International Land Transport Agreement be redoubled and that they focus on modernizing certain aspects of the agreement.

35. The representative said that geography posed huge challenges for the development of infrastructure in general and border infrastructure in particular (owing to the high altitude and the need to cross the Andes) and the considerable costs involved in relation to power connectivity and basic services. As an example, she mentioned the unified border control agreements that Chile had signed with Argentina, Peru and the Plurinational State of Bolivia, which called for investments to upgrade infrastructure for purposes of integration. Chile was very interested in establishing unified border controls and furthering current efforts with its three neighbours and the representative mentioned in particular the planned investments in Chungará-Tambo Quemado on the border of Chile with the Plurinational State of Bolivia.

36. The representative expressed regret that infrastructure development was lagging behind growth in trade. She mentioned free long-term storage systems, which could be implemented much more effectively if countries worked together to adopt more modern methodologies, and stressed the country's interest in making headway on that subject with the landlocked countries.

37. She commented on the document submitted by ECLAC, stressing the need to supplement and update data and some findings, in particular with respect to the status of the rail network in Chile, and to specify the cost structure attributed in the study to waiting times at the border and at trans-shipment points. Chile was working with the Plurinational State of Bolivia to restore the rail network connecting the two countries. She requested that in-depth analyses be carried out on cost overruns relating to logistics to determine where in the chain the overruns were being generated and who was responsible for them. She explained that prior to their shipment from Chilean ports, minerals were stocked free of charge over long periods; indeed, Chile provided storage services free of charge for Bolivian cargo under the free transit regime.

38. The representative of the Ministry of Transport of Chile commended the efforts made by ECLAC and expressed his appreciation for the assessments presented by the delegations of the Plurinational State of Bolivia and Paraguay on the transit situation. He recalled that a normative framework had been agreed upon in the International Land Transport Agreement, signed by all of the Southern Cone countries. Changes in line with technological advances could be made, which would make it possible to eliminate some of the more bureaucratic problems at the meeting. Within the framework of a future agreement between Argentina and Chile, provision should be made for investment in information and communications technologies, especially in more remote areas, such as the southern regions of those

two countries. The aim was to cut down on bureaucracy and to make the transporter alone responsible for carrying the documentation. Web-based systems reduced waiting times. It was important to collaborate on compliance with phytosanitary regulations.

39. The representative of Chile further explained that investments in technology were the most relevant in the short term and were being applied, for example, in the electronic permit for closed transport circuits (Arica and Punta Arenas). A supplementary electronic permit could reduce the usual processing time of 60 to 90 days to just a few days.

40. In response to questions about possible solutions, Chile stressed that it was important not to insist on the presence of a legal agent to handle compliance with phytosanitary and zoosanitary regulations in other countries.

41. Chile had signed an agreement with Brazil for integrating customs and phytosanitary databases to facilitate transport and traffic checks. Peru and Chile had run a training programme for public officials, which included at least 10 unified controls to facilitate transportation between the two countries. It was important to integrate information technology and use electronic media to facilitate the procedures because that was a way to reduce logistics costs.

42. A representative of Paraguay highlighted the need to generate knowledge about logistics costs and their impact on development. On that matter, he requested support in the form of courses or training from ECLAC, UNCTAD and the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States.

43. He said that more information was needed regarding successful experiences with respect to simplifying customs procedures and suggested that ECLAC compile those experiences and find a way to promote their implementation in other countries. With regard to the future programme, there was already a solid basis for working towards more concrete measures that would benefit landlocked countries.

44. A representative of Paraguay highlighted the transit policy. Landlocked countries required differential treatment by financial bodies when it came to financing infrastructure and other projects and in dealing with the World Trade Organization and trade facilitation, which should be considered in the plan of action. The fibre-optic ring would also be very important, as discussed by the South American Infrastructure and Planning Council in 2011, and would serve to improve and lower the cost of connections in South America.

New and emerging challenges facing landlocked developing countries in Latin America and international support measures

45. The second plenary session was chaired by a representative of ECLAC.

46. Under the above agenda item, the participants examined the challenges facing landlocked developing countries in Latin America, including how to lessen their vulnerability to external factors such as rising and volatile food and fuel prices and financial and economic crises, how to deal with the consequences of climate change and how to reduce poverty and social and economic inequality. Regional experts in infrastructure, transport, logistics and trade facilitation formulated recommendations

to guide landlocked developing countries in Latin America and to help them tackle those challenges and achieve sustainable and inclusive development.

47. A representative of the National Telecommunications Commission of Paraguay referred to an ECLAC study from February 2012, that concluded that the cost of international Internet connectivity for countries such as Paraguay and the Plurinational State of Bolivia envisaged for border crossing points, providing access at 2 megabytes per second, represented approximately 40 per cent of the total services tariff. He said that at the World Conference on International Telecommunications, held in Dubai in December 2012, a resolution had been adopted on special measures for landlocked developing countries and small island developing States, with a view to promoting better access to the international fibre-optic network. In November 2011, the South American Infrastructure and Planning Council had set up a working group on telecommunications for the establishment of a South American fibre-optic ring, and requested that the subject be included in the programme of action.

48. The representative of UNCTAD reiterated that support was available from his organization for landlocked countries and agreed with the representative of Paraguay that it was important to know the logistics costs. He said that while transport was essentially concerned with moving freight, the logistics chain comprised an entire series of prior, intermediary and subsequent steps, with the result that pre-shipment corresponded to a logistics rather than a transport cost.

49. He said that UNCTAD offered workshops and invited the countries' transport and logistics operators to explain how they worked from a business and public administration point of view. The Regional Freight Logistics Observatory of the Inter-American Development Bank could contribute to operator training, and it was possible to generate knowledge by institutionalizing data collection.

50. He also referred to the logistics observatory of Uruguay and to Paraguay's efforts along the same lines. The logistics observatory was a body that institutionalized the generation of knowledge of information rather than information itself. The representative also mentioned the joint efforts undertaken by UNCTAD and the World Bank in Africa, describing the technological options for providing information to border crossing points in advance so that not only customs officers, but also the police, migration authorities and environmental agencies could have prior access to the necessary information on a vehicle's movements and cargo. He also presented the "corridor" concept, which was being implemented in Africa.

51. In the comments that followed, delegations focused on the specific needs of landlocked developing countries.

Closing session

52. During the closing session, statements were made by the Deputy Executive Secretary of ECLAC, the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States and the representative of Paraguay.

53. The representative of Paraguay, in his capacity as Chair, summed up the main themes dealt with by the meeting (see annex).

Annex

Report of the Chair

Drawing on the document prepared by the Economic Commission for Latin America and the Caribbean (ECLAC), which served as the basis for our discussions, in addition to the statements made by the countries and agencies that participated in the event, I have summarized what I consider to be some of the key points made during our meeting:

- Based on the analysis of the situation in South America, on the studies carried out by ECLAC, and on the report presented by the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States to the sixty-eighth session of the General Assembly of the United Nations, landlocked developing countries have made headway since the adoption of the Almaty Programme of Action, as reflected in most of the indicators considered. Nevertheless, progress has been insufficient and countries continue to be affected by the problems associated with their landlocked status, while cooperation with transit countries must be furthered.

- Both Paraguay and the Plurinational State of Bolivia have made strides in various areas of development, particularly in relation to their connectivity and their customs procedures, while social conditions have improved significantly.

- However, it is also recognized that those countries, as well as other landlocked developing countries, are extremely vulnerable because they export a limited number of products with low value added. Greater production diversification is thus needed, for which countries must have effective market access.

- Freedom of movement continues to be a major factor in the logistics and trade performance of landlocked developing countries.

- Without a coastline, it is difficult for those countries to participate fully in international trade, and their comparative advantages are accordingly diminished. There is data to suggest that economic development in landlocked developing countries is, on average, 20 per cent lower than it would have been if the country had a coastline.

- Thus, there is a need to enhance the special and differential treatment for landlocked developing countries in the different spheres of negotiation.

- It was reiterated that their landlocked status, together with their remoteness and isolation from major international markets, left those countries heavily dependent on transit countries for maritime trade and generated cost overruns in their commercial transactions. The statistics presented showed that transport costs in landlocked developing countries exceeded those of a representative coastal economy by 45 per cent.

- The role of regional integration mechanisms in trade facilitation and physical integration was thus highlighted. The meeting participants proposed to deepen the regional integration process and work towards common logistics and mobility policies, promoting forums for joint action by the public and private sectors as well as their proper subregional coordination.

- There was a need to update bilateral and regional legal instruments with a view to improving their provisions.
- Studies also show that a considerable proportion of the cost of commercial operations relates to intangible infrastructure: cross-border procedures, policies, legislation, transit procedures, logistics and regulatory regimes.
- Another problem affecting landlocked countries is the stress placed on their infrastructure as a result of infrastructure and service shortfalls.
- The exploration of potential advantages of using public-private financing to address the shortfall of investments in physical infrastructure was also raised.
- The need to place emphasis on integrating the main points of entry (airports, ports, etc.) with the hinterland was discussed.
- The participants also proposed to work together on improving the regulations governing transit traffic to and from landlocked developing countries and improving the operational and bureaucratic practices at border crossing points.
- More effort should be made to raise awareness of logistics costs and their impact on development.
- Information could potentially be shared regarding best practices introduced by countries in their bilateral relations that affect the import, export and transit of goods.
- The studies showed that the services sector, particularly tourism, needed to be developed as a way of diversifying the economy.
- Another aspect mentioned was connectivity, which could be boosted through greater access to information technologies and international fibre-optic networks.

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Item 3 of the provisional agenda*
Preparations for the Conference: briefings and presentations

Report of the regional-level preparatory review meeting for Europe and Asia

Summary

The regional-level preparatory review meeting for Europe and Asia was held in Vientiane from 5 to 7 March 2013 as part of the preparatory process for the Second United Nations Conference on the Landlocked Developing Countries that will be held in Vienna in November 2014, pursuant to General Assembly resolutions 66/214 and 67/222. The present report provides a detailed account of the meeting and its outcome document, entitled "the Vientiane Consensus". The Economic and Social Commission for Asia and the Pacific, at its sixty-ninth session, took note of the Vientiane Consensus (E/ESCAP 69/1, annex).

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I. Introduction

1. Landlocked developing countries face serious constraints in their economic development because of the lack of territorial access to sea, remoteness and isolation from world markets and high transport costs. Their international trade and transport depends on cross-border and transit transport over land, which is hampered by numerous physical and non-physical barriers. As a result, the landlocked developing countries are disadvantaged in terms of fully utilizing trade for their development.

2. The International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation, held in Almaty in August 2003, adopted the Almaty Programme of Action to address the special needs and challenges faced by landlocked developing countries in achieving their development goals and set out actions to be taken by those countries as well as transit developing countries and development partners in five priority areas: fundamental transit policy issues; infrastructure development and maintenance; international trade and trade facilitation; international support measures; and implementation and review.

3. In its resolution 66/214, the General Assembly decided to hold a comprehensive 10-year review conference on the implementation of the Almaty Programme of Action in 2014. The Assembly also decided that the Conference should be preceded by regional and global as well as thematic preparations in the most effective, well-structured and broad participatory manner. The Assembly designated the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States as the United Nations system-wide focal point for the preparatory review process, and noted that United Nations system organizations, including the regional commissions, should, within their respective mandates, provide the necessary support and actively contribute to the preparatory review process and the conference itself.

4. In its resolution 67/1, the Economic and Social Commission for Asia and the Pacific (ESCAP) requested the Executive Secretary to provide, in collaboration with relevant organizations, necessary assistance to the landlocked developing countries in the region during the final regional review of the Almaty Programme of Action.

5. In this context, ESCAP and the Economic Commission for Europe (ECE), in collaboration with the Office of the High Representative and the Government of the Lao People's Democratic Republic, organized a regional preparatory meeting to review the Almaty Programme of Action, which was held in Vientiane from 5 to 7 March 2013. The Vientiane Consensus was adopted and the Government of the Lao People's Democratic Republic, as the global Chair of the Group of Landlocked Developing Countries, was requested to transmit it to ESCAP at its sixty-ninth session for endorsement as the regional input to the global review.

II. Attendance

6. The meeting was attended by some 120 participants, including ministers and senior government officials and other stakeholders from 26 countries, namely, Afghanistan, Armenia, Australia, Azerbaijan, Bangladesh, Bhutan, Cambodia,

China, France, Georgia, India, Indonesia, Japan, Kazakhstan, Kyrgyzstan, the Lao People's Democratic Republic, Mongolia, Nepal, Poland, the Russian Federation, Serbia, Tajikistan, Thailand, Turkmenistan, the United Kingdom of Great Britain and Northern Ireland and Viet Nam, as well as representatives of the United Nations system, international and regional organizations, development partners, civil society organizations and the private sector from Europe and Asia. The meeting expressed its deep appreciation to the Government of the Lao People's Democratic Republic for hosting the final regional review conference and to ESCAP, ECE and the Office of the High Representative for organizing the event.

III. Review of progress and challenges

7. The meeting participants expressed satisfaction that significant progress had been achieved by the landlocked developing countries and transit developing countries in implementing the Almaty Programme of Action with the support of ESCAP, ECE, the Office of the High Representative, relevant international and regional organizations and other development partners.

8. While acknowledging the progress made, they recognized the high structural vulnerability of the landlocked developing countries in the context of recent global developments. The modest economic growth achieved during the past decade has recently come under increasing threat by successive global crises in the areas of food, fuel and finance. As a result, most landlocked developing countries were falling short of various social targets, including the Millennium Development Goals. Many of them are severely affected by natural disasters and climate change. Moreover, they continue to be marginalized with respect to the international trading system.

9. Participants also recognized the continuing and emerging challenges faced by the landlocked developing countries vis-à-vis integration with the global economy and the need to expedite and strengthen the process of implementation of the Almaty Programme of Action. They echoed the outcome of the 2012 United Nations Conference on Sustainable Development, entitled "The future we want" (General Assembly resolution 66/288, annex), in which the serious constraints that the landlocked developing countries face in achieving sustainable development were recognized. In that context, the importance of reflecting the perspectives of the landlocked developing countries in developing the sustainable development goals was underlined.

10. The participants observed that the landlocked developing countries in Europe and Asia had witnessed significant fluctuations in economic growth and export performance in recent years owing mainly to the global economic crisis and the effects of sluggish growth in advanced countries. Despite notable, though uneven, progress made since 2003, those countries remained marginalized in global trade, with the share of their exports in world trade remaining at about 0.8 per cent for merchandise trade and 0.5 per cent for services trade in 2012. They had thus been prevented from reaping the benefits of globalization and using trade as an instrument for achieving their development objectives.

11. It was agreed that the landlocked developing countries needed to exploit the potential for regional economic integration arising out of increased intraregional trade and intraregional foreign direct investment and improved connectivity through

transport, energy and information and communications technology (ICT) networks. The landlocked developing countries had yet to fully leverage the regional preferential and plurilateral trading arrangements for harnessing complementarities, not only within the subregion but also across subregions in critical areas, such as energy security, transport development and trade facilitation so as to promote more inclusive growth and sustainable development. Some landlocked developing countries that were in the process of accession to the World Trade Organization (WTO) also needed to expedite their efforts.

12. It was noted that, despite variations in socioeconomic performance, the European and Asian landlocked developing countries were home to a large number of underprivileged people. Overall, the pace of development of those countries has been slow, indicating an urgent need to adopt more effective measures in a more inclusive and sustainable manner. The observation was made that most of those countries were rich in natural, mineral and human resources, which needed to be harnessed more effectively if they were to attain their development objectives.

13. In the external sector, the landlocked developing countries show relatively high trade openness but the absolute trade value is low compared with the potential because of large deficits in infrastructural facilities, trade barriers and insufficient technological capacities. Exports are characterized by a high concentration of a few commodities, reflecting poor productive capacities.

14. The indicators related to health, education and social development suggest that most of the countries have achieved relatively high levels of development, although the absolute number of people deprived is still quite high. It was noted that the development indicators suggested tremendous scope for improving macroeconomic management, pursuing more prudent policies for greater integration of trade and foreign direct investment and investing in improved connectivity. Another important area for the landlocked developing countries is investment in the skills of workers so that they can have better access to well-paid activities in the region and beyond.

15. It was observed that, since the adoption of the Almaty Programme of Action, landlocked and transit developing countries had made substantial progress in transport infrastructure development and maintenance. Many sections of the Asian Highway Network in the landlocked developing countries and their neighbouring transit developing countries have been upgraded to higher standards, and several missing links in the Trans-Asian Railway Network have been constructed.

16. Landlocked developing countries and transit countries have implemented or initiated many transport facilitation initiatives, including one-stop border posts, single-window processing, harmonized road transit charges and road customs transit declaration documents, third-party motor vehicle insurance schemes, reduction of roadblocks, the international road transport (TIR) system and increased use of electronic systems for customs clearance, making it easier for landlocked developing countries to use the roads and ports of neighbouring countries.

17. The meeting participants agreed that the priority areas, as identified in the Almaty Programme of Action, could provide useful anchors around which unmet goals and targets could be set, keeping national development policies and strategies in view, and that actions could be taken individually and jointly by landlocked developing countries and their development partners. It was also recognized that expected outcomes in each priority area could be further enhanced through genuine

partnerships between landlocked and transit developing countries and their development partners at the bilateral, subregional, regional and global levels, including partnerships between the public and private sectors. Moreover, such partnerships needed to be based on the equitable sharing of benefits derived from specific actions among the concerned countries, transit developing countries and their development partners.

18. The participants noted that the European and Asian landlocked developing countries were characterized by important differences with respect to the composition and destination of exports. Some export mainly natural resources and manufactured goods and others services, while for some the focus is primary commodities. Another important area for the landlocked developing countries is liberalizing their workers' access to productive activities in other economies inside and outside the region.

19. The participants observed that the policies of the landlocked developing countries needed to be oriented towards stimulating productive investment, building technological capacities and strengthening linkages within and across sectors and between different enterprises. For increasing productive capacities and moving up the value chain, the landlocked developing countries needed to undertake such measures as strengthening national capacity to analyse competitive potential at the product and subsector level, establishing the quality and conformity assessment infrastructure required to increase exports, working in productive sectors with high export potential to upgrade product and production quality and comply with standards and regulations so that enterprises can export successfully and developing troubleshooting mechanisms in cases where export products encounter technical barriers.

20. It was noted that cross-border and transit transport for the landlocked developing countries was extremely difficult owing to poor infrastructure facilities and numerous constraints to movement and to crossing borders. Such physical and non-physical barriers caused high transport costs, inordinate delays in the transport process, including crossing borders, and uncertainty in logistics services and supply chain management. Those challenges significantly reduced the competitiveness of the landlocked developing countries in the world markets and discouraged the flow of foreign direct investment. It was recognized that close cooperation between the landlocked developing countries and their transit country partners was necessary to facilitate the development of transport infrastructure connections and operational connectivity.

IV. Persistent, new and emerging issues facing the landlocked developing countries

21. It was observed that the landlocked developing countries continued to face several persistent and emerging challenges, which highlighted the need for both domestic policy reform and changes in the global environment to make it conducive to more equitable, inclusive and sustained growth and development. The participants identified the following key development challenges that the landlocked developing countries faced in moving forward:

(a) Addressing internal and external vulnerabilities;

(b) Creating favourable market access;

(c) Promoting employment-intensive and inclusive growth, alleviating poverty and reducing economic and social disparities;

(d) Building productive capacities and diversifying the export base;

(e) Establishing efficient transit systems, reducing trade transaction costs and improving competitiveness;

(f) Addressing the consequences of climate change.

22. If not addressed adequately and in a timely manner, those challenges can erode many of the development gains of the past decade. In order to ensure equitable, inclusive and sustainable development, a priority is to build the resilience of the landlocked developing countries to withstand such persistent challenges as well as emerging ones.

23. European and Asian landlocked developing countries are also vulnerable to emerging challenges related to natural disasters, food security, energy security and water management. Natural disasters that threaten them include droughts, storms, glacier lake outburst floods, extremes of temperature and cold and heat waves, and wet and dry mass movements.

24. The participants noted that the landlocked developing countries have been taking measures to adapt to climate change consequences. These include integrated management of water resources, the construction of infrastructure for the storage of surface water and groundwater, watershed development, rainwater harvesting, water conservation and community-based initiatives to integrate land, including grassland, and water management. The landlocked developing countries have developed national programmes of action as a means of identifying medium- and long-term adaptation needs and implementing strategies and programmes to address them. Building on this process, several countries are working towards integrating climate change adaptation into national planning. In addition, the countries have been identifying appropriate institutional, legal and governance responses for adaptation.

25. In order to build resilience, the landlocked developing countries emphasize creating awareness and understanding of the ways to cope with the risks and vulnerabilities associated with climate change. At the regional level, the landlocked developing countries should pursue a number of measures and use policy tools with a view to: (a) closing the gap between economic and ecological efficiencies; (b) planning and designing eco-efficient infrastructure; (c) securing the transfer of appropriate technologies; and (d) formulating and implementing low-carbon development strategies. More specific measures are needed in this regard to strengthen capacity-building in cross-sectorial initiatives, such as the Green Bridge Partnership Programme.

26. The participants emphasized the need for bringing about further qualitative changes in the pattern of growth so that the benefits of growth permeate all sections of society. In that context, the nexus between economic growth and poverty reduction needs to be strengthened through the creation of increased decent and productive employment opportunities for the poor.

27. It was observed that the fragmented approach to cross-border facilitation and transit transport had been less than optimal for removing non-physical barriers. While there had been some progress, it had been slower than anticipated, as some of the facilitation efforts had been made in relative isolation, leading to fragmented results. As a result, trade transaction costs remained high, limiting the ability of the landlocked developing countries to successfully harness trade as an instrument of their development. The regional common frameworks and the existing United Nations conventions and agreements could be used as guideposts for each of the issues identified, thereby ensuring that the facilitation efforts of countries converged over the long term.

V. Way forward

Development of fundamental transit transport policy

28. The participants emphasized the need to create comprehensive transit policies in the landlocked and transit developing countries in order to establish efficient transit transport systems. They noted that while significant progress had been made in some countries in that regard, fundamental transit policy needed to be developed further in the countries that had not yet done so.

29. It was suggested that the landlocked and transit developing countries review the challenges they faced in transit transport and propose policy measures to address them. Such measures could include, for example, transport strategies and programmes, plans for transforming themselves from landlocked to land-linked countries, the development of transit transport corridors, the improvement of major transit transport infrastructure, the development of a regulatory framework, the establishment of international legal regimes, greater participation of the private sector, reforms to make providers of transport services more responsive to user demands, enhanced transparency of transit and border regulations, streamlined administrative procedures, simplified controls and procedures, promotion of the use of information and communications technology and strengthened training programmes in the sector. Furthermore, such policies must take into account environmental and social aspects and promote sustainable development. The participants noted that it was crucial for ESCAP, ECE and the Office of the High Representative to support the landlocked developing countries in sharing transit policies that have proved to be effective.

30. The participants recognized the importance of the ESCAP regional strategic framework for the facilitation of international road transport, adopted by the Ministerial Conference on Transport at its second session, in March 2012, as a guidepost in the formulation of national transit transport policy. Where appropriate, the six common targets and seven modalities contained in the framework can be incorporated into the national transit transport policy.

Facilitating transit transport

Improving transport efficiency

31. It was observed that high transport costs are an important impediment to trade and economic cooperation among the European and Asian landlocked developing countries. The landlocked developing countries, transit countries and their

development partners should pay special attention to addressing the non-physical barriers that contribute to high transport costs (freight rates), some of which are constrained transport operations, inordinate delays, irregular time schedules, weak logistics industry performance, complicated trans-shipment procedures, excessive documentation and procedures for international transport, particularly at borders, limited competition, low productivity in the trucking industry, corruption and insufficient security.

Harmonizing legal regimes

32. The Almaty Programme of Action maintains that international conventions relating to the facilitation of transport and transit, as well as regional and bilateral agreements, ratified by landlocked and transit developing countries are the main vehicles by which harmonization, simplification and standardization of rules and documentation can be achieved. In this context, participants observed that subregional agreements could play a useful role if they were aligned with the international conventions. They could also serve as important stepping stones to the international harmonization of standards and norms.

33. The participants encouraged accession to and more effective implementation of United Nations and other relevant international conventions, agreements and other international legal instruments related to transport and transit facilitation, with special attention paid to the International Convention on the Harmonization of Frontier Control of Goods of 1982. In that regard, ESCAP and ECE were requested to provide technical support. ESCAP and ECE were further requested to intensify capacity-building assistance to the countries, including training, and to raise awareness and understanding of the process and the implications of accession to international conventions relating to the facilitation of transport and transit.

34. ESCAP was requested, in cooperation with subregional organizations, to intensify technical support for facilitating international land transport by assisting in the effective implementation of subregional facilitation agreements among member States, many of which are landlocked.

35. The participants recognized the role of the ESCAP regional network of legal and technical experts for transport facilitation as a platform on which to build the national capacity of the landlocked developing countries and transit countries to accede to and implement international conventions and to formulate and implement subregional and bilateral agreements on transport.

Improving transport infrastructure and bridging infrastructure gaps

36. Participants noted that, despite the substantial progress achieved in transport infrastructure development and maintenance in the region over the review period, further and more concerted efforts were needed to remove the constraints on the overall socioeconomic development of European and Asian landlocked developing countries, which stemmed mainly from the lack of access to the sea, remoteness and isolation from the world markets and high transit costs. In addition, the recently completed second phase of the Euro-Asian transport links project identified not only priority infrastructure projects but also essential missing links that needed to be built in order to improve connectivity and enhance the efficiency of transport services between Europe and Asia. In this respect, the participants took note of the

importance of a joint declaration on the promotion of Euro-Asian rail transport and activities towards unified railway law, signed in Geneva on 26 February 2013.

37. It was acknowledged that, for improving transport infrastructure, bridging infrastructure gaps and ensuring coherent infrastructure development and planning, the landlocked developing countries needed to engage actively in such regional cooperation initiatives as the United Nations Special Programme for the Economies of Central Asia and such institutional frameworks as the two existing intergovernmental agreements on transport infrastructure (i.e. the Asian Highway and the Trans-Asian Railway) and to support the adoption of the intergovernmental agreement on dry ports. More specifically, Afghanistan, Armenia, Azerbaijan, Bhutan, Kazakhstan, Kyrgyzstan and Turkmenistan were requested to take measures to ratify, accept or approve of or accede to the Intergovernmental Agreement on the Trans-Asian Railway Network, and Turkmenistan was urged to do so with regard to the Asian Highway Network. The Asian landlocked developing countries were urged to take the actions necessary to sign the intergovernmental agreement on dry ports, which had been expected to be adopted by ESCAP at its sixty-ninth session and opened for signature at the second session of the Forum of Asian Ministers of Transport. The landlocked developing countries needed to establish adequate strategic support from their subregional partners for infrastructure development under such regional transport networks.

38. The participants urged the development partners to work together to realize an international integrated intermodal transport and logistics system in Asia, with a focus on the development and upgrading of the Asian Highway and Trans-Asian Railway Networks and dry ports.

39. Most of the landlocked developing countries were ranked low in international comparison in terms of the quality of infrastructure. It was observed that improving the quality of infrastructure was vitally important for safe and efficient transport. The level of infrastructure was also not homogeneous among the European and Asian landlocked developing countries. In the case of roads, substantial differences existed in terms of the latest improvements and intrinsic development. For instance, Afghanistan, the Lao People's Democratic Republic and Mongolia had a small percentage of paved roads (below 30 per cent) compared with the Central Asian countries (above 80 per cent). A critical area was to tap opportunities for improving infrastructure at the regional and subregional levels.

40. It was noted that some of the most immediate benefits of improved infrastructure would be better cross-national integration between border areas, which are often among the more remote and poor regions of the countries in question. In order to derive greater benefit, physical links between countries needed to be accompanied by the harmonization of standards, such as railway signalling systems.

41. It was recognized, however, that bridging the infrastructure gap for the landlocked developing countries was a complex and challenging task. Along with strong political and regional commitment, it was necessary to utilize all opportunities in a comprehensive manner for future infrastructure development in the landlocked developing countries. In this respect, efforts should continue to be made to build internal capacity for efficient planning, implementation and operationalization of transport infrastructure projects. The landlocked developing countries should also back commercial initiatives promoting the use of inland

transport services for international trade, in particular rail transport, as a competitive alternative to maritime transport and support activities targeting the emergence of quality-driven logistics services. In that context, the participants emphasized the importance of mobilizing financial resources for infrastructure development and urged the international financial institutions, donors and potential sources of finance to come forward in meeting those needs.

42. The Intergovernmental Agreement on the Asian Highway Network, which entered into force in 2005 and covers over 143,000 km of road in 32 countries, has been signed or acceded to by 29 countries, including 11 landlocked developing countries. With strong commitment from participating countries, nearly 30 per cent of the Asian Highway roads in those countries (corresponding to more than 10,000 km) have been improved since 2004. The portion of Asian Highway routes below the minimum standard (class III) has decreased from 32 per cent to 18 per cent. Still, there are 6,796 km of Asian Highway routes that need to be upgraded to meet the minimum standard. Although there are no missing links in terms of the absence of roads, the poor quality of the roads acts as a deterrent to international transport because of increased vehicle operating costs. The issue should be addressed urgently.

43. Apart from road networks, efficient rail links have a central role to play in improving the access of the landlocked developing countries to world markets. To facilitate planning for future expansion and the upgrading and operation of the railway network in the region, the Intergovernmental Agreement on the Trans-Asian Railway Network, which supports efficient regional connectivity, was adopted. The main challenge, however, is the existence of many missing links, which prevent the Network from functioning as a continuous system. ESCAP estimates that those constitute about 10,500 km of rail track, or 9 per cent of the Network, for which urgent action is required.

44. In 2003, ECE and ESCAP launched a project to promote the development of Euro-Asian transport links as competitive alternatives to maritime routes for trade between Asia and Europe. The project has been implemented in two phases. The total number of participating countries is 27 (including 9 of the 12 Asian landlocked developing countries). As part of the project, a geographic information system database has been created that is now available online, which is a basic tool for the development of efficient, safe and secure transport links. ECE and ESCAP should take the measures necessary to ensure more intensive use of the project's outputs for the integrated planning and development of inland transport linkages in the region.

45. The landlocked developing countries can make greater use of the Asian Highway and Trans-Asian Railway by improving transport facilitation measures and by investing in intermodal facilities, such as dry ports. Dry ports can build synergies by linking different modes of transport; they can also promote balanced spatial development by facilitating industrialization in the hinterlands. They are particularly relevant to the landlocked developing countries because they play an important role, similar to that of seaports, in facilitating the provision of efficient intermodal transport and logistics services. The development of intermodal facilities and dry ports should be given high-level commitment from regional organizations as well as countries.

46. ECE is pursuing a network approach to the development of international transport infrastructure by developing, updating and promoting its transport

infrastructure agreements. The objective of that approach, together with a similar initiative of ESCAP, is to ensure that no country in Europe or Asia is left unconnected to internationally important road and rail lines. Not all of the landlocked developing countries in ECE have become contracting parties to all infrastructure agreements, however, a matter that should be pursued by the relevant organizations in order to further integrate national transport systems into the ECE-wide transport networks and thus enhance the level of technical and operational interoperability.

47. As recognized in the Almaty Programme of Action, information and communications technology can play a crucial role in accelerating development. Despite recent progress in ICT penetration, Asian landlocked developing countries lag behind the rest of the region in terms of broadband Internet access, although this technology can play a crucial role in boosting the competitiveness of enterprises and in facilitating international trade. Owing to very rapid developments in the ICT sector, the landlocked developing countries have faced severe challenges in keeping up with the necessary infrastructure deployment and the concomitant evolution of policy frameworks. In addition, broadband costs, as a share of gross national income, are approximately 10 times higher in Asian landlocked developing countries than in the rest of the ESCAP region. As a result, the economic and social development benefits of broadband Internet remain elusive for the majority of those countries. This situation is further exacerbated for landlocked developing countries by the heavy reliance of the fixed broadband transmission infrastructure in the region on submarine fibre-optic cables for connectivity to the global Internet.

48. The participants called for further action to deploy a terrestrial information superhighway to boost access and affordability regarding fixed broadband Internet services. They noted with interest the multiple regional initiatives in that respect that would certainly contribute to better connectivity for a number of landlocked developing countries of the region, specifically the Trans-Eurasian Information Super Highway project between Central Asia and Europe, the Greater Mekong Subregion Information Superhighway Network and the South Asia Subregional Economic Cooperation information highway initiative. They also supported the efforts of the ESCAP secretariat and the International Telecommunication Union to jointly map out existing transmission networks with a view to identifying bottlenecks and missing links in the electronic connectivity infrastructure.

49. Observing that between 70 and 90 per cent of the costs of developing a terrestrial fibre-optic network are related to the excavation and installation of ducts and conduits through which cables are pulled, the participants noted the great potential offered by the convergence of ICT connectivity infrastructure with transport and energy infrastructure networks. One option identified was to lay terrestrial cables at the time of the development and maintenance of the Asian Highway or Trans-Asian Railway.

50. The participants took note of the recommendations made at the side event organized by the International Road Transport Union.

Facilitating the border-crossing process

51. It was noted that, during transit, the most notorious delays occurred at the main interface or trans-shipment points, namely those between maritime and inland transport, between adjoining railway networks and on both sides of national borders.

Inadequate rail and/or road off-take capacity at major trans-shipment points causes major delays. The slow interchange of rolling stock between railway networks not only holds up goods in transit but also results in poor utilization of railway assets, thus reducing their revenues.

52. Border-crossing procedures place particularly severe constraints on transit by road. Border-crossing delays result largely from inadequate physical infrastructure facilities and the lack of coordination among various officials working on a given side of the border and between them and their counterparts across the border. In addition, complicated formalities and procedures are major obstacles to efficient transit transport. Countries need to give adequate attention to those issues, with support from regional and subregional partners.

53. The participants noted that a number of transit and transport facilitation tools, such as the ESCAP time/cost-distance methodology, the secure cross-border transport model, the efficient cross-border transport model and the integrated border-crossing management model, as well as the Customs Convention on the International Transport of Goods under Cover of TIR Carnets, have been developed to assist in identifying and addressing non-physical barriers to cross-border and transit transport. The *Handbook of Best Practices at Border Crossings — A Trade and Transport Facilitation Perspective*, issued by the Organization for Security and Cooperation in Europe and ECE, offers a unique opportunity for countries both in and beyond the ESCAP/ECE regions to develop border and customs policies that increase security and more efficiently facilitate international trade and transport. The facilitation tools can be used by the landlocked developing countries and their transit country partners to enhance transit security and efficiency. The landlocked developing countries and their development partners could enhance their efforts for the further application of transit and transport facilitation tools. The participants urged ESCAP and ECE to continue to encourage those processes and urged institutions to strengthen the application of information and communications technology.

54. For the landlocked developing countries in Central Asia, the United Nations Special Programme for the Economies of Central Asia project working group on transport and border-crossing has been providing valuable support for the development and facilitation of transport infrastructure since its launch in 1998. ESCAP and ECE should further strengthen this process so that the working group can emerge as an effective platform for cooperation among countries. That cooperation mechanism needs further strengthening to create the necessary institutional platform for the coordinated and rational planning of regional infrastructure and facilitation measures.

55. The participants suggested enhancing efforts to improve infrastructure and inter-agency coordination and cooperation at border crossings and to implement integrated border-crossing management, single-stop inspection and single-window clearance, non-intrusive inspection technologies and the application of risk management techniques.

56. It was noted that the region had developed some transit facilitation initiatives that had worked, such as the one-stop border post, dry ports and the use of TIR and its information technology applications for customs clearance. The participants underscored that the landlocked developing countries and transit countries in the region, with support from their development partners, should consider scaling up or

replicating such initiatives. In addition, they requested ECE, ESCAP and the Office of the High Representative to support the development of effective inter-country mechanisms for widely sharing best practices related to experiences with policies, strategy data and other resources for improving transit policies.

Developing productive capacity and diversifying the export base

57. It was noted that many of the landlocked developing countries in the region were commodity dependent, with a significant number relying primarily on minerals, oil and agricultural products, which often had low value added, for export. This has made those countries highly vulnerable to external trade shocks because of the volatility of commodity prices. The participants called for concerted measures and actions to support the efforts of the landlocked developing countries to reduce dependence on commodities, including through the diversification of their export base, and enhanced processing of commodities to add value. Participants called for development partners to enhance their efforts to support the landlocked developing countries in diversifying their exports, through, among other things, the transfer of relevant technologies on mutually agreed terms, support for the development and strengthening of their productive capacities and capacity-building in the development of relevant policies.

58. The participants stressed that to mitigate the adverse development impact of being landlocked, comprehensive, coherent and coordinated policies were needed at all levels in the areas of investment, infrastructure (production, transport, ICT and energy), logistics (transport and trade facilitation) and technology to support the efforts of the landlocked developing countries to develop local productive capacities and to diversify products and markets in order to enhance competitiveness and profitability, while simultaneously reducing their vulnerability to external shocks. In this regard, the participants called for support from the international community.

Harnessing remittances

59. It was observed that remittances had become an increasingly important resource for development for some of the landlocked developing countries. Those resources were contributing to poverty alleviation, employment generation and skill formation. In many instances, returning migrant workers were investing in new enterprises and thereby contributing to the development of productive capacity, including in the services sector. The participants recognized that the Governments of sending countries could adopt a more systemic approach to improving the skills of migrant workers, reducing the transaction costs faced by migrants and strengthening linkages with their communities abroad in order to attract their skills and investment at home. It was also stated that the receiving countries could do more to provide a safe working environment for migrant workers and to facilitate the efficient transfer of remittances.

Promoting tourism

60. Observing that international tourism was becoming an increasingly significant part of global trade, the participants called for increased investment in that sector. For the landlocked developing countries, tourism could generate strong foreign exchange inflows and positive intersectoral linkages, which could promote growth in other sectors and have a stronger positive and multiplicative spillover effect than

in most economic sectors. From the perspective of the landlocked developing countries, strategic interventions might be needed to promote more balanced gender and social equity outcomes in relation to tourism, and more care would have to be taken to ensure environmental sustainability. The promotion of sustainable tourism was emphasized, in particular ecotourism and mountain tourism, for employment generation and poverty alleviation in the landlocked developing countries.

Promoting trade capacity and enhancing trade facilitation

61. It was observed that trade costs in the landlocked developing countries were still extremely high, typically four to seven times higher than in most other middle-income developing countries in Asia.

62. The participants recommended that the landlocked developing countries take the following measures to further facilitate trade:

(a) As accession to WTO is likely to yield non-discriminatory market access and other benefits of a multilateral framework for trade, the landlocked developing countries seeking accession should be supported by their trade partners, and the terms of accession should not be onerous, they should be provided with technical assistance and capacity-building support by the international community in their accession efforts and in the implementation of commitments;

(b) They should be actively involved in implementing ESCAP resolution 68/3 on enabling paperless trade, together with other trade facilitation measures, to further reduce trade transactions costs and enhance the efficiency of supply chains originating from or destined for landlocked developing countries;

(c) They should fully utilize the trade facilitation tools developed by international organizations to build the capacity of relevant stakeholders; in this respect, they are encouraged to take advantage of the guides developed by the United Nations Network of Experts for Paperless Trade in Asia and the Pacific on, inter alia, business process analysis, document alignment, data harmonization and modelling and single-window implementation;

(d) They should ensure that trade facilitation measures are consistent with existing international and regional agreements, mechanisms and undertakings and build on existing international standards and conventions, such as those issued by the United Nations Centre for Trade Facilitation and Electronic Business or supported by the United Nations Commission on International Trade Law or the World Customs Organization;

(e) They should develop mechanisms to more accurately monitor their progress in facilitating trade and more effectively prioritize the implementation of trade facilitation measures.

Addressing non-tariff barriers

63. The participants urged European and Asian landlocked developing countries to work together on trade-related reforms on the basis of an analysis of non-tariff barriers, including other trade barriers and trade-related measures. They expressed concern that activities at the global level directed at non-tariff barriers would increasingly affect, both directly and indirectly, the export capacity and competitiveness of the landlocked developing countries as well as their market

access and entry in global trade. They urged ESCAP and ECE, in cooperation with the United Nations Conference on Trade and Development and other relevant international and regional organizations, to provide the landlocked developing countries with technical, research and other assistance in the WTO accession process and to design trade-related reforms for promoting trade and investment integration processes to enhance global and regional cooperation.

Financing and public-private partnerships

64. It was noted that financing was an obvious challenge given the considerable amount of resources that would be required to expand and maintain the transport infrastructure of the landlocked developing countries. In order to meet that challenge, the participants emphasized that developing innovative financing solutions might be necessary to complement public investments in that area. One innovative financing solution might be to further develop public-private partnership opportunities in the landlocked developing countries by increasing their readiness for such schemes and by developing a conducive environment in terms of policy formulation, regulatory reform and administrative arrangements. Donors and international financial institutions might also consider establishing national or subregional innovative financing mechanisms that could assist the landlocked developing countries in closing the funding gaps in hard and soft transport infrastructure and attract more financing for the necessary investments, for instance by further developing public-private partnership opportunities through the use of donor grants to leverage loans from international financial institutions.

65. The participants urged countries to streamline the mechanisms for maintaining existing facilities. To ensure adequate funding for road maintenance, countries might establish dedicated road funds with revenue collected from such sources as levies on consumables, mainly, fuel, tolls, annual vehicle licence fees, supplementary fees for heavy vehicles and fines for overloading. Several landlocked developing countries have established road funds as effective means of mobilizing finances for road maintenance. Others, including the Lao People's Democratic Republic and Nepal, are encouraged to follow those established best practices. Overall, adopting the best regional practices for infrastructure development and maintenance is critical in order to maintain the value of the existing assets and to reduce future financing needs. At the regional level, it is necessary to foster synergies among countries, international financial institutions and other stakeholders, including the private sector, in order to explore financing opportunities in priority infrastructure projects along the Asian Highway and Trans-Asian Railway routes and to promote the development of public-private partnerships in the landlocked developing countries. Efforts are also needed to identify investment priorities and prospects and different approaches to financing projects and to exchange experiences related to financing, development and the operation of major highways. The meeting noted that South-South cooperation could be used to develop infrastructure.

Deepening regional cooperation and integration

66. Further to multilateral efforts, the participants emphasized the need to take measures to deepen regional cooperation and integration, including through free trade agreements. They noted that one of the critical elements in overcoming the marginalization of Asian landlocked developing countries was the promotion of

their active participation in regional agreements and frameworks and their being accorded due special and differential treatment for the maximization of development gains.

67. It was emphasized that, while strengthening trade-investment linkages was crucial for enhancing regional cooperation and integration, such linkages also led to the improvement of the export supply capabilities of individual countries through the establishment of trade-creating joint ventures, which, in turn, led to both higher growth and greater employment creation. Similarly, free trade agreements might spur investment flows in terms of efficiency-seeking regional restructuring. Moreover, if the policy priorities focus on developing production networks through vertical integration and horizontal specialization, enabled by cross-country investment flows for strengthening trade-investment linkages, there could be significant gains in terms of higher intraregional trade and investment flows. There was a need to design development-friendly and trade-augmenting rules of origin by promoting the regional accumulation approach.

Expanding regional and subregional initiatives

68. The participants agreed on the need for the landlocked developing countries to embark on a new development paradigm with the strategic goal of becoming more regionally integrated (including urban/rural connectivity) to generate rapid growth that is inclusive and sustainable. This requires concerted action aimed at formulating a broader framework for economic integration at the regional level, ensuring equitable economic and social benefits for the landlocked developing countries, developing regional transportation, energy and communication networks and improving trade and transport facilitation, as well as strengthening ICT connectivity.

69. Two important aspects of the five priority areas of the Almaty Programme of Action were emphasized: (a) stimulative actions that would contribute to raising investment in priority areas, especially in relation to developing and maintaining an efficient transit transport system infrastructure in landlocked and transit developing countries, which, in turn, was needed to accelerate growth and change the pattern towards providing more benefits to poor and disadvantaged regions; (b) enhancing the capacity to utilize available trade concessions, which was limited by infrastructure and other capacity constraints.

70. It was also agreed that the existing regional cooperation frameworks would be widened and strengthened so that countries would be able to face the challenges collectively. In this context, the participants noted that it would be crucial to increase development cooperation both within and across the ESCAP and ECE regions with a view to developing regional markets and domestic productive capacities. The areas covered could include such priorities as developing new markets, technology transfer, attracting foreign direct investment and transit transport development. Over the years, ESCAP and ECE have provided useful platforms that have contributed to closer and more effective cooperation and collaboration among European and Asian landlocked developing countries. Now is a good time for the landlocked developing countries to use those platforms more effectively in order to enhance their integration into the global production, transport and trade system, with the goal of accelerating development, improving welfare and reducing risks and vulnerabilities.

International support

71. The international community was called upon to facilitate the accession of the landlocked developing countries to WTO, as only four had completed the accession process since the adoption of the Almaty Programme of Action. Participants called upon those which had not yet become members of WTO to engage more intensively with their trading partners in order to complete the accession process, and urged that all export products originating from landlocked developing countries be given duty-free and quota-free market access in the developed countries that are members of WTO.

72. The participants were of the opinion that, in view of the severe structural disadvantages of the landlocked developing countries, external resources, such as official development assistance (ODA), would play a key role in supporting economic development and social progress. Those countries needed external resources to build their economic and social infrastructure and especially for investing in basic services, such as water, sanitation, energy, transport, shelter, health and education. Such resources could complement the national efforts of the landlocked developing countries aimed at expanding and diversifying their productive capacities, promoting FDI and trade, adapting technological innovations, fostering gender equality, ensuring food security and reducing income poverty.

73. In this regard, it was suggested that the landlocked developing countries needed to improve their institutions and governance structures in order to make ODA more effective in supporting their efforts to address their special needs. Donors were requested to increase the level of financial resources and technical assistance provided to the landlocked developing countries.

74. The participants underscored the importance of the provision of "Aid for Trade" to landlocked developing countries for capacity-building for the formulation of trade policies, participation in trade negotiations and the implementation of trade facilitation measures, the development of trade-related infrastructure, and the diversification of export products and the strengthening of productive capacities with a view to increasing the competitiveness of the products of the landlocked developing countries in export markets. In this regard, the participants encouraged development partners to continue and increase their support to the Aid for Trade initiative, giving adequate consideration to the special needs and requirements of the landlocked developing countries.

75. The significant role of FDI in boosting the trade potential and economic growth of the landlocked developing countries was emphasized, and the supportive role of FDI in providing infrastructure for transport, telecommunications and utilities was highlighted. The participants were of the view that it was necessary to promote and sustain a business environment conducive to FDI in accordance with national legislation and developmental needs.

76. The participants acknowledged the supportive role of the United Nations system, as well as regional, subregional and other international organizations, in providing technical, financial and capacity-building support to the landlocked developing countries to enhance their participation in international trade and help them to achieve the internationally agreed development goals, including the Millennium Development Goals. The organizations of the United Nations system, including the regional commissions, other international organizations and regional

development banks were invited to strengthen, within the context of their respective mandates, the efforts of the landlocked developing countries to overcome structural impediments and benefit from the international trading and investment system.

77. The participants noted the crucial role of the Office of the High Representative in raising awareness and advocating that the concerns of the landlocked developing countries be placed high on the global development cooperation agenda and in mobilizing international support and resources in favour of those countries to help them to overcome their vulnerabilities, build resilience and set themselves on a path of economically, socially and environmentally sustained and sustainable development. They called upon the Office of the High Representative to continue to assist the landlocked developing countries through increased advocacy and mobilization of international and United Nations system-wide support.

78. The participants urged European and Asian landlocked developing countries to ratify or accede to the 2010 Multilateral Agreement for the Establishment of an International Think Tank for landlocked developing countries at their earliest convenience in order to bring the think tank, which was established in Ulaanbaatar in 2009, into full operation. The landlocked developing countries noted with satisfaction the establishment of the interim secretariat of the think tank as an important step towards its full operationalization. Recognizing its potential role in providing technical and capacity-building support to member countries, the participants deemed it desirable that the think tank collaborate with existing networks and the initiatives of the regional commissions.

Post-2015 development agenda

79. The participants were of the view that the Millennium Development Goals constituted a powerful tool for consolidating national, regional and global efforts around clear, concise and measurable development objectives for individual countries as well as the global community. In European and Asian landlocked developing countries, not only has progress towards the Goals been considerably varied across different goals and indicators, but their achievement has been unequally distributed across regions, subregions, countries and different population groups in a nation. The participants expressed their strong desire to build on the Goals, with an explicit focus on inequalities and disparities, in the post-2015 development agenda. It was also agreed that several critical gaps, including a policy gap, a strategy gap, a growth gap, a resource gap and an implementation gap, needed to be explicitly addressed in the post-2015 agenda if the stipulated goals were to be achieved. The landlocked developing countries needed to target climate change mitigation and the reduction of environmental vulnerability as development challenges.

80. The participants emphasized that working towards well-being and happiness through economic growth was vital for realizing any post-2015 development goals, but that growth must be inclusive and sustainable and must address inequalities and disparities. They recognized that growth in the European and Asian landlocked developing countries had sometimes been accompanied by environmental degradation, and hence there was a need to promote green economic policies. Several other areas also needed renewed emphasis, including combating poverty and hunger, gender equality and empowerment of women, health-related outcomes (including in relation to non-communicable diseases), educational goals, with more

emphasis on quality dimensions, decent and productive employment and demographic dynamics, including urbanization. Other areas that deserved priority attention included the building of productive capacities, social protection, water management, food and nutrition security, energy security, sustainable transport, preparation for and response to natural disasters and climate change, peace and security, human rights, institutional capacity-building at all levels, greater policy coherence and systemic change, a well-defined accountability framework, governance at all levels, including global development partnerships and cooperation, and more equitable sharing of responsibilities between national Governments and the international community. The importance of South-South cooperation and triangular cooperation was also highlighted. Recognizing that development cooperation had acquired a multidimensional character, the participants highlighted the increased role of different stakeholders, such as civil society organizations, the private sector, philanthropic organizations, the media and centres of excellence, in realizing the post-2015 development agenda.